
IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

SECOND APPELLATE DISTRICT, DIVISION FOUR

Civ. No. B 069450
(Super. Ct. No. BC 052395)

CHURCH OF SCIENTOLOGY INTENTIONAL,

Plaintiff-Respondent

-vs-

GERALD ARMSTRONG,

Defendant-Appellant.

On Appeal From Superior Court Of The State Of California
County of Los Angeles
The Honorable Ronald M. Sohigian

APPELLANT'S APPENDIX IN LIEU OF CLERK'S TRANSCRIPT, VOLUME I

1-183

Ford Greene
HUB LAW OFFICES
California State Bar No. 107601
711 Sir Francis Drake Boulevard
San Anselmo, California 94960-1949
Telephone: (415) 258-0360

PAUL MORANTZ, ESQ.
P.O. Box 511
Pacific Palisades,
California 90272
(213) 459-4745

Attorneys for Appellant
GERALD ARMSTRONG

APPELLANT'S APPENDIX IN LIEU OF CLERK'S TRANSCRIPT

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<u>Filing Date</u> <u>or</u> <u>Hearing</u> <u>Exhibit</u> <u>No.</u>	<u>Appendix</u> <u>Vol., Page No.</u>	<u>Document Title and/or</u> <u>Document Exhibit Designation</u>
5/7/92	I, 1	Amended Memorandum of Points and Authorities in Support of Plaintiff's Motion for Preliminary Injunction for Breach of Contract
5/8/92	I, 23	Errata Sheet to Amended Memorandum of Points and Authorities in Support of Plaintiff's Motion for Preliminary Injunction for Breach of Contract
5/11/92	I, 30	Opposition to Motion for Preliminary Injunction
5/20/92	I, 51	Plaintiff's Reply to Defendant's Opposition to Plaintiff's Motion for Preliminary Injunction
5/26/92		<u>Plaintiff's Evidence Submitted at</u> <u>Hearing of Motion for Preliminary</u> <u>Injunction</u> (Reporter's Transcript)
	I, 64	Evidence Submitted in Support of Plaintiff's Amended Motion for Preliminary Injunction, Filed May 7, 1992
	I, 65	Declaration of Laurie J. Bartilson in Support of Plaintiff's Amended Memorandum, of Points and Authorities in Support of Plaintiff's Motion for Preliminary Injunction for Breach of Contract, Dated May 7, 1992
	I, 69	Exhibit 2 thereto: Declaration of Andrew H. Wilson in Support of Motion for Preliminary Injunction, dated January 31, 1992

1. I, 72 Exhibit 2-A thereto: Mutual Release of All Claims and Settlement Agreement, dated December 6, 1986 (Admitted in evidence, RT 5/26/92 at p.36)
2. I, 89 Exhibit 4 thereto: Declaration of Lawrence E. Heller in Support of Motion for Preliminary Injunction, dated January ____, 1992 (Admitted in evidence, RT 5/26/92 at p.37)
- I, 93 Exhibits in Support of Plaintiff's Reply to Defendant's Opposition to Motion for Preliminary Injunction and Reply to Amicus Brief of Joseph A. Yanny, filed May 20, 1992
- I, 94 Declaration of Laurie J. Bartilson, dated May 17, 1992
3. I, 97 Exhibit ____ thereto: Declaration of Lawrence E. Heller, dated March 2, 1992; Heller Declaration Exhibit B: Transcript of Gerald Armstrong Video Recording of Settlement Agreement Signing, dated December 6, 1986 (Admitted in evidence, RT 5/26/92 at p.38)
- I, 109 Exhibits to Supplementary Opposition to Motion for Preliminary Injunction, filed May 7, 1992
4. I, 111 Exhibit C thereto: Settlement Agreement (December 1986) (Admitted in evidence, RT 5/26/92 at p.38)
- I, 117 Request for Judicial Notice in Support of Motion for Preliminary Injunction (Exhibit 1 to Declaration of Laurie J. Bartilson in Support of Plaintiff's Amended Memorandum of Points and Authorities in Support of Plaintiff's Motion for Preliminary Injunction for Breach of Contract, dated May 7, 1992)

5. I, 122 Exhibit E thereto: Excerpt from Reporter's Transcript of Proceedings of August 6, 1991 in Religious Technology Center v. Joseph A. Yanny, Los Angeles Superior Court No. BC 033035 (Yanny II) (Admitted in evidence, RT 5/26/92 at p.38)
6. I, 125 Exhibit F thereto: Declaration of Gerald Armstrong, dated July 19, 1991 (Admitted in evidence, RT 5/26/92 at p.40)
7. I, 135 Exhibit J thereto: Declaration of Gerald Armstrong, dated July 16, 1991 (Admitted in evidence, RT 5/26/92 at p.40)
8. I, 140 Exhibit K thereto: Declaration of Gerald Armstrong, second dated July 16, 1991 (Admitted in evidence, RT 5/26/92 at p.40)
9. I, 143 Exhibit 2-B thereto: Letter from Gerald Armstrong to Eric M. Lieberman, dated August 21, 1991 (Admitted in evidence, RT 5/26/92 at p.40)
10. I, 147 Exhibit L thereto: Declaration of Gerald Armstrong Regarding Alleged "Taint" of Joseph A. Yanny, Esquire, dated September 3, 1991 (Admitted in evidence, RT 5/26/92 at p.40)
11. I, 159 Exhibit M thereto: Declaration of Ford Greene Regarding Alleged "Taint" of Joseph A. Yanny, Esquire, dated September 4, 1991 (Admitted in evidence, RT 5/26/92 at p.40)
- I, 64 Declaration of Laurie J. Bartilson in Support of Plaintiff's Amended Memorandum of Points and Authorities in Support of Plaintiff's Motion for Preliminary Injunction for Breach of Contract, dated May 7, 1992

12. I, 168 Exhibit 5 thereto: Declaration of Laurie Bartilson in Support of Motion for Preliminary Injunction, dated January 29, 1992 (Admitted in evidence, RT 5/26/92 at p.40)
- I, 171 Exhibits in Support of Plaintiff's Reply to Defendant's Opposition to Motion for Preliminary Injunction and Reply to Amicus Brief of Joseph A. Yanny, filed May 20, 1992
- I, 172 Declaration of William T. Drescher dated May 19, 1992
13. I, 177 Exhibit E thereto: Deposition Excerpt of Gerald Armstrong dated March 17, 1992 in Yanny II (Admitted in evidence, RT 5/26/92 at p.40)

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5/26/92

Defendant's Evidence Submitted at
Hearing of Motion for Preliminary
Injunction (Reporter's Transcript)

II, 184

Request for Judicial Notice of Documents
by Amicus Curiae Joseph A. Yanny,
Declaration of Graham E. Berry and
Documents to be Judicially Noticed,
filed May 11, 1992

II, 186

Declaration of Graham E. Berry, dated
May 9, 1992

4.

II, 190

Exhibit E thereto: Notice of Motion
and Motion for a Preliminary
Injunction, dated November 9, 1989,
filed in Richard and Vicki Aznaran
v. Church of Scientology of
California, in US District Court,
Central District of California,
Case No. CV 88-1786 JMI (Ex)
(Aznaran) (Admitted in evidence, RT
5/26/92 at p.47)

II, 446

Declaration of Graham E. Berry to All
Evidence in Support of Amended Amicus
Curiae Brief in Opposition to
Plaintiffs' Order to Show Cause Re
Preliminary Injunction and Supporting
Exhibits, filed May 7, 1992

6.

II, 451

Exhibit C thereto: Order Dismissing
Action with Prejudice, filed
December 11, 1986 in Church of
Scientology of California v. Gerald
Armstrong, Los Angeles Superior
Court Case No. C 420153 (Armstrong
I) (Admitted in evidence, RT
5/26/92 at p.114)

7. II, 453 Exhibit D thereto: Minute Order,
entered December 12, 1986 in
Armstrong I (Admitted in evidence,
RT 5/26/92 at p.114)
8. II, 455 Exhibit E thereto: Reporter's
Transcript of Proceedings, December
11, 1986 in Armstrong I (Admitted
in evidence, RT 5/26/92 at p.114)

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- | | | |
|-----|----------|---|
| 9. | III, 467 | Exhibit G thereto: Memorandum of Intended Decision, filed June 22, 1984 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.50) |
| 11. | III, 502 | Exhibit I thereto: Verified Complaint for Damages and for Temporary, Preliminary and Permanent Injunctive Relief for Breach of Fiduciary Duty, filed July 18, 1991 in <u>Yanny II</u> (Admitted in evidence, RT 5/26/92 at p.52) |
| 12. | III, 520 | Exhibit J thereto: Defendants' Verified First Amended Answer to Plaintiffs' Verified Complaint. Demand for Jury Trial, dated January 22, 1992 in <u>Yanny II</u> (Admitted in evidence, RT 5/26/92 at p.53) |
| 13. | III, 552 | Exhibit K thereto: Reporter's Transcript of Proceedings, December 23, 1991 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114) |
| 16. | III, 637 | Exhibit N thereto: Reporter's Transcript of Proceedings, March 3, 1992, in <u>Church of Scientology International v. Gerald Armstrong</u> , Marin Superior Court No. 152229, transferred to Los Angeles Superior Court and renumbered BC 052395 (<u>Armstrong II</u>) (Admitted in evidence, RT 5/26/92 at p.114) |

18. III, 661 Exhibit P thereto: Declaration of Gerald Armstrong in Opposition to Scientology's Motion for Preliminary Injunction, dated March 16, 1992 in Armstrong II (Admitted in evidence, RT 5/26/92 at p.55 - 75)
19. III, 678 Exhibit Q thereto: Deposition Excerpt of Gerald Armstrong, March 17, 1992 in Yanny II (Admitted in evidence, RT 5/26/92 at p.114)

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Filing Date or Hearing Exhibit No. _____	Appendix Vol., Page No.	Document Title and/or Document Exhibit Designation
20.	IV, 723	Exhibit R thereto: Deposition Excerpt of Gerald Armstrong, April 7, 1992 in <u>Yanny II</u> (Admitted in evidence, RT 5/26/92 at p.114)
22.	IV, 808	Exhibit T thereto: Suppressive Person Declare - Gerry Armstrong, published by Church of Scientology International 18 February, 1982, revised April 24, 1982 (Admitted in evidence, RT 5/26/92 at p.114)
	IV, 810	Exhibit DD to the Declaration of Graham E. Berry in Support of Amicus Curiae Brief of Joseph A. Yanny in Opposition to Plaintiffs' Order to Show Cause Re Preliminary Injunction, filed April 13, 1992
23.	IV, 811	Exhibit DD thereto: Notice of Motion and Motion to Enforce Settlement Agreement; for Liquidated Damages and to Enjoin Future Violations, filed October 3, 1991 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
25.	IV, 949	Declaration of Ford Greene on the Subject of Wakefield v. Church of Scientology of California (11th Cir 1991) Submitted in Opposition to Order to Show Cause Re Preliminary Injunction, filed March 19, 1992 (Admitted in evidence, RT 5/26/92 at p.114)

- IV, 953 Declaration of Graham E. Berry to All Evidence in Support of Amended Amicus Curiae Brief in Opposition to Plaintiff's Order to Show Cause Re Preliminary Injunction; Exhibits A Through BB to the Declaration of Graham E. Berry in Support of Amicus Curiae Brief, filed April 13, 1992
- IV, 954 Declaration of Graham E. Berry, dated March 16, 1992
33. IV, 961 Exhibit X thereto: Guardian Order, October 7, 1971 "Re: Books & Entheta Written About Scientology by SPs" (Admitted in evidence, RT 5/26/92 at p.114)
37. IV, 966 Exhibit BB thereto: Declaration of Joseph A. Yanny, dated July 13, 1988 (Admitted in evidence, RT 5/26/92 at p.114)

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	V, 993	Declarations of Gerald Armstrong Filed in Support of Amicus Curiae Brief of Joseph A. Yanny in Opposition to Plaintiff's Order to Show Cause Re Preliminary Injunction, filed April 13, 1992
38.	V, 995	Exhibit A: Affidavit of Gerald Armstrong, dated March 19, 1986 (Admitted in evidence, RT 5/26/92 at p.91)
39.	V, 1055	Exhibit B: Declaration of Gerald Armstrong, dated November 1, 1986 (Admitted in evidence, RT 5/26/92 at p.91)
40.	V, 1081	Exhibit C: Declaration of Gerald Armstrong, dated December 18, 1983 (Admitted in evidence, RT 5/26/92 at p.91)
41	V, 1091	Exhibit D: Affidavit of Gerald Armstrong, dated November 7, 1986 (Admitted in evidence, RT 5/26/92 at p.91)
42.	V, 1098	Exhibit E: Declaration of Gerald Armstrong, dated November 18, 1986 (Admitted in evidence, RT 5/26/92 at p.91)
43.	V, 1106	Exhibit F: Declaration of Gerald Armstrong, dated March 15, 1990 (Admitted in evidence, RT 5/26/92 at p.91)
45.	V, 1131	Exhibit H: Declaration of Gerald Armstrong, dated May 7, 1985 (Admitted in evidence, RT 5/26/92 at p.91)

- V, 1135 Declarations of Michael J. Flynn, Esq.
Filed in Support of Amicus Curiae Brief
of Joseph A. Yanny in Opposition to
Plaintiff's Order to Show Cause Re
Preliminary Injunction, filed March 17,
1992
46. V, 1137 Exhibit A: Affidavit of Michael J.
Flynn, dated September 21, 1983
(Not admitted in evidence, RT
5/26/92 at p.95)
47. V, 1174 Exhibit B: Declaration of Michael
J. Flynn, dated November 7, 1984
(Not admitted in evidence, RT
5/26/92 at p.95)
- V, 1197 Evidence in Support of Defendant's
Opposition to Scientology's Motion for
Preliminary Injunction, Volume I, filed
March 16, 1992
51. V, 1204 Exhibit D thereto: Application for
an Order to Show Cause Re
Preliminary Injunction and
Temporary Restraining Order;
Attached Declarations and Exhibits,
dated August 3, 1982 in Armstrong I
(Admitted in evidence, RT 5/26/92
at p.114)
54. V, 1228 Exhibit H thereto: Notice of Entry
of Judgment, dated August 14, 1984
in Armstrong I (Admitted in
evidence, RT 5/26/92 at p.114)
55. V, 1232 Exhibit I thereto: Notice of
Appeal, filed August 23, 1984 in
Armstrong I (Admitted in evidence,
RT 5/26/92 at p.114)
56. V, 1235 Exhibit K thereto: Joint
Stipulation of Dismissal, filed
December 11, 1986 in Armstrong I
(Admitted in evidence, RT 5/26/92
at p.114)
57. V, 1238 Exhibit L thereto: Order Dismissing
Action with Prejudice, filed
December 11, 1986 in Armstrong I
(Admitted in evidence, RT 5/26/92
at p.114)

58. V, 1240 Exhibit M thereto: Stipulation for Return of Sealed Materials and Exhibits, filed December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
59. V, 1243 Exhibit N thereto: Order for Return of Exhibits and Sealed Documents, filed December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
60. V, 1247 Exhibit O thereto: Stipulated Sealing Order, filed December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
61. V, 1251 Exhibit P thereto: Minute Order, entered December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
62. V, 1253 Exhibit Q thereto: Stipulation, dated December 10, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
63. V, 1255 Exhibit R thereto: Indemnity Agreement, undated in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
64. V, 1258 Exhibit S thereto: Minute Order, entered December 12, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
65. V, 1260 Exhibit U thereto: Appellate Opinion filed December 18, 1986 in Church of Scientology of California and Mary Sue Hubbard v. Gerald Armstrong, Appeal no. B005912, Second District, Division 3 (Admitted in evidence, RT 5/26/92 at p.108)
66. V, 1275 Exhibit V thereto: Denial of Petition for Rehearing in Appeal no. B005912 (Admitted in evidence, RT 5/26/92 at p.114)

67. V, 1277 Exhibit W thereto: Order Denying Review After Judgment by the Court of Appeal, 2nd District, Division 3, No. B005912, in the Supreme Court of the State of California In Bank, filed March 11, 1987 (Admitted in evidence, RT 5/26/92 at p.114)
68. V, 1279 Exhibit X thereto: Unopposed Motion to Withdraw Memorandum of Intended Decision, filed January 30, 1987 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
69. V, 1284 Exhibit Y thereto: Minute Order, entered February 2, 1987 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
70. V, 1287 Exhibit Z thereto: Notice of Appeal, filed February 9, 1987 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
71. V, 1290 Exhibit AA thereto: Order Denying Petition for Review in the Supreme Court of the State of California In Bank, from judgment of Second Appellate District, Division 3, no. B025920/B038975, filed October 17, 1991 (Admitted in evidence, RT 5/26/92 at p.114)
72. V, 1292 Exhibit BB thereto: Remittitur Notice by Second Appellate District, Division 3, No. B038975/B025920, dated December 5, 1991 (Admitted in evidence, RT 5/26/92 at p.114)

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73. VI, 1294 Exhibit CC thereto: Notice of Motion and Motion of Defendant Author Services, Inc. to Delay or Prevent the Taking of Certain Third Party Depositions by Plaintiff; Declarations of Lawrence E. Heller and Howard Schomer in Support Thereof, dated November 1, 1989 in Bent Corydon v. Church of Scientology International, Los Angeles Superior Court No. C 694401 (Admitted in evidence, RT 5/26/92 at p.114)
74. VI, 1307 Exhibit DD thereto: Complaint for Damages for and Injunctive Relief from: 1. Fourth Amendment Violations; 2. First Amendment Violations; 3. Due Process Violations Under the Fifth Amendment; 4. Equal Protection Violations Under the Fifth Amendment filed August 1991 in Church of Scientology International v. C. Phillip Xanthos, et al., US District Court for the Central District of California, No. 91 4301 SVW (Tx) (Admitted in evidence, RT 5/26/92 at p.114)
75. VI, 1349 Exhibit EE thereto: Supplemental Memorandum in Support of Defendants' Motion to Dismiss Complaint with Prejudice; Declarations of Sam Brown, Thorn Smith, Edward Austin, Lynn R. Farny and Laurie Bartilson, filed August 26, 1991 in Aznaran (Admitted in evidence, RT 5/26/92 at p.114)

- VI, 1360 Evidence in Support of Defendant's
Opposition to Scientology's Motion for
Preliminary Injunction, Volume II, filed
March 16, 1992
76. VI, 1362 Exhibit GG thereto: Defendant and
Cross-Complainants' Opposition
Notice of Motion and Motion to
Enforce Settlement Agreement; for
Liquidated Damages and to Enjoin
Future Violations, dated November
18, 1991 in Armstrong I (Admitted
in evidence, RT 5/26/92 at p.114)
77. VI, 1442 Exhibit HH thereto: Reply in
Support of Motion to Enforce
Settlement Agreement; for
Liquidated Damages and to Enjoin
Future Violations, dated November
22, 1991 in Armstrong I (Admitted
in evidence, RT 5/26/92 at p.114)
78. VI, 1467 Exhibit II thereto: Supplemental
Opposition of Gerald Armstrong to
Motion to Enforce Settlement
Agreement; Declaration of Toby L.
Plevin, dated December 16, 1991 in
Armstrong (Admitted in evidence, RT
5/26/92 at p.114)
- 79 VI, 1482 Exhibit JJ thereto: Supplemental
Reply in Support of Motion to
Enforce Settlement Agreement;
Declaration of Randall A. Spencer,
dated December 19, 1991 in
Armstrong I (Admitted in evidence,
RT 5/26/92 at p.114)
80. VI, 1493 Exhibit LL thereto: Senate Bill No.
711, for the State of California,
dated March 6, 1991 (Admitted in
evidence, RT 5/26/92 at p.110)
- III, 661 Exhibit 2 thereto: Declaration of
Gerald Armstrong in Opposition to
Scientology's Motion for
Preliminary Injunction, dated March
16, 1992
86. VI, 1501 Exhibit 2-E thereto: Excerpt from
Corydon "dead agent" pack

87. VI, 1506 Exhibit 2-F thereto: Affidavit of Kenneth David Long, dated October 5, 1987 in Church of Scientology of California v. Russell Miller & Penguin Books, High Court of Justice, Chancery Division, London, England, Case 1987 C No. 6140 (Miller) (Admitted in evidence, RT 5/26/92 at p.114)
88. VI, 1525 Exhibit 2-G thereto: Affidavit (second) of Kenneth David Long, dated October 5, 1987 in Miller (Admitted in evidence, RT 5/26/92 at p.114)
89. VI, 1546 Exhibit 2-H thereto: Affidavit (third) of Kenneth David Long, dated October 5, 1987 in Miller (Admitted in evidence, RT 5/26/92 at p.114)
90. VI, 1552 Exhibit 2-I thereto: Affidavit of Sheila MacDonald Chaleff, dated October 5, 1987 in Miller (Admitted in evidence, RT 5/26/92 at p.114)
91. VI, 1555 Exhibit 2-J thereto: Affidavit (fourth) of Kenneth David Long, dated October 7, 1987 in Miller (Admitted in evidence, RT 5/26/92 at p.114)
92. VI, 1564 Exhibit 2-K thereto: Affidavit (fifth) of Kenneth David Long, dated October 8, 1987 in Miller (Admitted in evidence, RT 5/26/92 at p.114)
94. VI, 1572 Exhibit 2-M thereto: Letter from Phillip Rodriguez, Police Officer, Northeast Division, City of Los Angeles to Eugene M. Ingram, dated November 7, 1984 (Admitted in evidence, RT 5/26/92 at p.114)
95. VI, 1574 Exhibit 2-N thereto: Public Announcement by Daryl F. Gates, Chief of Police, Los Angeles, dated April 23, 1985 (Admitted in evidence, RT 5/26/92 at p.114)

96. VI, 1576 Exhibit 2-0 thereto: Letter from Office of the District Attorney, County of Los Angeles, Special Investigations Division to Church of Scientology, dated April 25, 1986 (Admitted in evidence, RT 5/26/92 at p.114)
97. VI, 1593 Request for Judicial Notice and Application of Collateral Estoppel, filed May 6, 1992 (Admitted in Evidence, RT 5/26/92 at p. 114)

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5/27/92	VII, 1594	Transcript of Proceedings in Motion for Preliminary Injunction
5/28/92	VII, 1714	Ruling on Matter Taken Under Submission on May 27, 1992
6/5/92	VII, 1718	Notice of Ruling
7/30/92	VII, 1728	Notice of Appeal
8/3/92	VII, 1731	Notice of Prior Related Appeal - Declaration of Ford Greene
8/5/92	VII, 1736	Notice of Election to Proceed Under California Rules of Court, Rule 5.1
8/5/92	VII, 1739	Notice to Prepare Reporter's Transcript
9/18/92	VII, 1742	Notice to Reporters/Monitors to Prepare Transcript on Appeal

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65. V, 1260 Appellate Opinion filed December 18, 1986 in Church of Scientology of California and Mary Sue Hubbard v. Gerald Armstrong, Appeal no. B005912, Second District, Division 3 (Admitted in evidence, RT 5/26/92 at p.108)
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74. VI, 1307 Complaint for Damages for and Injunctive Relief from: 1. Fourth Amendment Violations; 2. First Amendment Violations; 3. Due Process Violations Under the Fifth Amendment; 4. Equal Protection Violations Under the Fifth Amendment filed August 1991 in Church of Scientology International v. C. Phillip Xanthos, et al., US District Court for the Central District of California, No. 91 4301 SVW (Tx) (Admitted in evidence, RT 5/26/92 at p.114)
11. I, 159 Declaration of Ford Greene Regarding Alleged "Taint" of Joseph A. Yanny, Esquire, dated September 4, 1991 (Admitted in evidence, RT 5/26/92 at p.40)
25. IV, 949 Declaration of Ford Greene on the Subject of Wakefield v. Church of Scientology of California (11th Cir 1991) Submitted in Opposition to Order to Show Cause Re Preliminary Injunction, filed March 19, 1992 (Admitted in evidence, RT 5/26/92 at p.114)

6. I, 125 Declaration of Gerald Armstrong, dated July 19, 1991 (Admitted in evidence, RT 5/26/92 at p.40)
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45. V, 1131 Declaration of Gerald Armstrong, dated May 7, 1985 (Admitted in evidence, RT 5/26/92 at p.91)
37. IV, 966 Declaration of Joseph A. Yanny, dated July 13, 1988 (Admitted in evidence, RT 5/26/92 at p.114)

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2. I, 89 Declaration of Lawrence E. Heller in Support of Motion for Preliminary Injunction, dated January __, 1992 (Admitted in evidence, RT 5/26/92 at p.37)
3. I, 97 Declaration of Lawrence E. Heller, dated March 2, 1992; Heller Declaration Exhibit B: Transcript of Gerald Armstrong Video Recording of Settlement Agreement Signing, dated December 6, 1986 (Admitted in evidence, RT 5/26/92 at p.38)
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12. III, 520 Defendants' Verified First Amended Answer to Plaintiffs' Verified Complaint. Demand for Jury Trial, dated January 22, 1992 in Yanny II (Admitted in evidence, RT 5/26/92 at p.53)
66. V, 1275 Denial of Petition for Rehearing in Appeal no. B005912 (Admitted in evidence, RT 5/26/92 at p.114)
13. I, 177 Deposition Excerpt of Gerald Armstrong dated March 17, 1992 in Yanny II (Admitted in evidence, RT 5/26/92 at p.40)

19. III, 678 Deposition Excerpt of Gerald Armstrong, March 17, 1992 in Yanny II (Admitted in evidence, RT 5/26/92 at p.114)
20. IV, 723 Deposition Excerpt of Gerald Armstrong, April 7, 1992 in Yanny II (Admitted in evidence, RT 5/26/92 at p.114)
- 5/8/92 I, 23 Errata Sheet to Amended Memorandum of Points and Authorities in Support of Plaintiff's Motion for Preliminary Injunction for Breach of Contract
86. VI, 1501 Excerpt from Corydon "dead agent" pack
5. I, 122 Excerpt from Reporter's Transcript of Proceedings of August 6, 1991 in Yanny II (Admitted in evidence, RT 5/26/92 at p.38)
33. IV, 961 Guardian Order, October 7, 1971 "Re: Books & Entheta Written About Scientology by SPs" (Admitted in evidence, RT 5/26/92 at p.114)
63. V, 1255 Indemnity Agreement, undated in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
56. V, 1235 Joint Stipulation of Dismissal, filed December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
9. I, 143 Letter from Gerald Armstrong to Eric M. Lieberman, dated August 21, 1991 (Admitted in evidence, RT 5/26/92 at p.40)
96. VI, 1576 Letter from Office of the District Attorney, County of Los Angeles, Special Investigations Division to Church of Scientology, dated April 25, 1986 (Admitted in evidence, RT 5/26/92 at p.114)

94.	VI, 1572	Letter from Phillip Rodriguez, Police Officer, Northeast Division, City of Los Angeles to Eugene M. Ingram, dated November 7, 1984 (Admitted in evidence, RT 5/26/92 at p.114)
9.	III, 467	Memorandum of Intended Decision, filed June 22, 1984 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.50)
7.	II, 453	Minute Order, entered December 12, 1986 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
64.	V, 1258	Minute Order, entered December 12, 1986 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
61.	V, 1251	Minute Order, entered December 11, 1986 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
69.	V, 1284	Minute Order, entered February 2, 1987 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
1.	I, 72	Mutual Release of All Claims and Settlement Agreement, dated December 6, 1986 (Admitted in evidence, RT 5/26/92 at p.36)
55.	V, 1232	Notice of Appeal, filed August 23, 1984 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
70.	V, 1287	Notice of Appeal, filed February 9, 1987 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
7/30/92	VII, 1728	Notice of Appeal
8/5/92	VII, 1736	Notice of Election to Proceed Under California Rules of Court, Rule 5.1
54.	V, 1228	Notice of Entry of Judgment, dated August 14, 1984 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)

4.	II, 190	Notice of Motion and Motion for a Preliminary Injunction, dated November 9, 1989, filed in <u>Aznaran</u> (Admitted in evidence, RT 5/26/92 at p.47)
23.	IV, 811	Notice of Motion and Motion to Enforce Settlement Agreement; for Liquidated Damages and to Enjoin Future Violations, filed October 3, 1991 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
73.	VI, 1294	Notice of Motion and Motion of Defendant Author Services, Inc. to Delay or Prevent the Taking of Certain Third Party Depositions by Plaintiff; Declarations of Lawrence E. Heller and Howard Schomer in Support Thereof, dated November 1, 1989 in <u>Bent Corydon v. Church of Scientology International</u> , Los Angeles Superior Court No. C 694401 (Admitted in evidence, RT 5/26/92 at p.114)
8/5/92	VII, 1739	Notice to Prepare Reporter's Transcript
8/3/92	VII, 1731	Notice of Prior Related Appeal - Declaration of Ford Greene
9/18/92	VII, 1742	Notice to Reporters/Monitors to Prepare Transcript on Appeal
6/5/92	VII, 1718	Notice of Ruling
5/11/92	I, 30	Opposition to Motion for Preliminary Injunction
71.	V, 1290	Order Denying Petition for Review in the Supreme Court of the State of California In Bank, from judgment of Second Appellate District, Division 3, no. B025920/B038975, filed October 17, 1991 (Admitted in evidence, RT 5/26/92 at p.114)

67. V, 1277 Order Denying Review After Judgment by the Court of Appeal, 2nd District, Division 3, No. B005912, in the Supreme Court of the State of California In Bank, filed March 11, 1987 (Admitted in evidence, RT 5/26/92 at p.114)
6. II, 451 Order Dismissing Action with Prejudice, filed December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
57. V, 1238 Order Dismissing Action with Prejudice, filed December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
59. V, 1243 Order for Return of Exhibits and Sealed Documents, filed December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
- 5/20/92 I, 51 Plaintiff's Reply to Defendant's Opposition to Plaintiff's Motion for Preliminary Injunction
95. VI, 1574 Public Announcement by Daryl F. Gates, Chief of Police, Los Angeles, dated April 23, 1985 (Admitted in evidence, RT 5/26/92 at p.114)
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77. VI, 1442 Reply in Support of Motion to Enforce Settlement Agreement; for Liquidated Damages and to Enjoin Future Violations, dated November 22, 1991 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
13. III, 552 Reporter's Transcript of Proceedings, December 23, 1991 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)

16. III, 637 Reporter's Transcript of Proceedings, March 3, 1992, in Armstrong II (Admitted in evidence, RT 5/26/92 at p.114)
97. VI, 1593 Request for Judicial Notice and Application of Collateral Estoppel, filed May 6, 1992 (Admitted in Evidence, RT 5/26/92 at p. 114)
- 5/28/92 VII, 1714 Ruling on Matter Taken Under Submission on May 27, 1992
80. VI, 1493 Senate Bill No. 711, for the State of California, dated March 6, 1991 (Admitted in evidence, RT 5/26/92 at p.110)
4. I, 111 Settlement Agreement (December 1986) (Admitted in evidence, RT 5/26/92 at p.38)
60. V, 1247 Stipulated Sealing Order, filed December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
62. V, 1253 Stipulation, dated December 10, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
58. V, 1240 Stipulation for Return of Sealed Materials and Exhibits, filed December 11, 1986 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)
75. VI, 1349 Supplemental Memorandum in Support of Defendants' Motion to Dismiss Complaint with Prejudice; Declarations of Sam Brown, Thorn Smith, Edward Austin, Lynn R. Farny and Laurie Bartilson, filed August 26, 1991 in Aznaran (Admitted in evidence, RT 5/26/92 at p.114)
78. VI, 1467 Supplemental Opposition of Gerald Armstrong to Motion to Enforce Settlement Agreement; Declaration of Toby L. Plevin, dated December 16, 1991 in Armstrong I (Admitted in evidence, RT 5/26/92 at p.114)

79	VI, 1482	Supplemental Reply in Support of Motion to Enforce Settlement Agreement; Declaration of Randall A. Spencer, dated December 19, 1991 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
22.	IV, 808	Suppressive Person Declare - Gerry Armstrong, published by Church of Scientology International 18 February, 1982, revised April 24, 1982 (Admitted in evidence, RT 5/26/92 at p.114)
5/27/92	VII, 1594	Transcript of Proceedings in Motion for Preliminary Injunction
68.	V, 1279	Unopposed Motion to Withdraw Memorandum of Intended Decision, filed January 30, 1987 in <u>Armstrong I</u> (Admitted in evidence, RT 5/26/92 at p.114)
11.	III, 502	Verified Complaint for Damages and for Temporary, Preliminary and Permanent Injunctive Relief for Breach of Fiduciary Duty, filed July 18, 1991 in <u>Yanny II</u> (Admitted in evidence, RT 5/26/92 at p.52)

1 Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
2 235 Montgomery Street
Suite 450
3 San Francisco, California 94104
(415) 391-3900

4 Laurie J. Bartilson
5 BOWLES & MOXON
6255 Sunset Boulevard
6 Suite 2000
Hollywood, California 90028
7 (213) 661-4030

8 Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL

9
10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 FOR THE COUNTY OF LOS ANGELES

12 CHURCH OF SCIENTOLOGY OF
INTERNATIONAL, a California
not-for-profit religious
13 corporation;

14
15
16 Plaintiff,

17 vs.

18 GERALD ARMSTRONG and DOES 1
through 25, inclusive,

19 Defendants.
20

) Case No. BC 052395
)
) AMENDED MEMORANDUM OF POINTS
) AND AUTHORITIES IN SUPPORT OF
) PLAINTIFF'S MOTION FOR PRELIMINARY
) INJUNCTION FOR BREACH OF
) CONTRACT
)
)
)
) DATE: May 14, 1992
) TIME: 8:30 a.m.
) DEPT: 86
)
) DISCOVERY CUTOFF: None
) MOTION CUTOFF: None
) TRIAL DATE: None
)

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HUB LAW OFFICES

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I. PRELIMINARY STATEMENT

In December, 1986, plaintiff Church of Scientology International ("the Church" or "plaintiff") sought to end a period of long and bitter harassment and attack from former-member Gerald Armstrong ("Armstrong" or "defendant"). Armstrong, who had been expelled from the Scientology religion after stealing confidential documents belonging to the religion's Founder, L. Ron Hubbard, entered into a campaign of activities, both overt and covert, intended to divide Church members from the ecclesiastical leaders of the Church, forge incriminating documents and plant them in Church files, stage a raid on Church facilities by government officials on the basis of the forged documents planted in Church files, get Church members to disaffect and file lawsuits against the Church on the basis of naked allegations insupportable by any evidence and, in Armstrong's own words, "to create as much s--- as possible" for the Church. [See Ex. 3, Declaration of Lynn F. Farny ("Farny Decl."), ¶ 7.]

Armstrong's bitter and lengthy campaign was ended, or so plaintiff thought, when he entered into a confidential Settlement Agreement (the "Agreement") with plaintiff in 1986. The terms of the Agreement required Armstrong not merely to end his own litigation against plaintiff, but among other things, also required Armstrong to refrain from aiding others in litigation, to return to the Church the documents which he had stolen and all copies of them, to refrain from discussing with third parties his experiences with the Scientology faith, and to keep confidential all terms of the Agreement itself. This amicable settlement was achieved only after careful and extensive negotiations. [Ex. 4, Declaration of Lawrence E. Heller ("Heller Decl."), ¶ 2.]

Unfortunately, an amicable separation was not to be. Despite a carefully drawn mutually acceptable Agreement, Armstrong is at it again.

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1 Since June, 1991, Armstrong has, by his own admissions:

2 - Provided aid to anti-Church litigants Vicki and Richard Aznaran¹
3 and Joseph Yanny² through declarations purporting to describe Armstrong's
4 Scientology experiences, along with copies of documents that Armstrong
5 agreed to keep confidential, including the Agreement;

6 - Performed paralegal services for Yanny in the Aznarans' case; and

7 - Performed paralegal services in the Aznarans' case for the
8 Aznarans' present attorney, Ford Greene, which continues to the present.

9 Rather than deny these activities, all of which violate the Agreement,
10 Armstrong boasts of them.³ To put an end to Armstrong's unlawful campaign
11 once and for all, the Church requests the entry of this preliminary
12 injunction to enjoin Armstrong from committing further and continuous
13 breaches of his Agreement while the effects of his earlier breaches are
14 adjudicated.⁴

15
16 ¹ Vicki Aznaran is the former president of another entity affiliated
17 with the Scientology faith, Religious Technology Center. She and her
18 husband Richard, a former employee of the plaintiff Church, are involved in
19 litigation against plaintiff and other Church parties, Vicki Aznaran, et
al. v. Church of Scientology of California, et al., United States District
Court for the Central District of California, No. CV 88-1786 JMI (Ex).

20 ² Joseph Yanny is the former attorney for the Church and is also a
21 defendant in a pending action, Religious Technology Center, Church of
Scientology International and Church of Scientology of California v. Joseph
A. Yanny ("Yanny 2"), LASC No. BC-033035, in which he has been enjoined
22 from legal representation of Armstrong against his former clients.

23 ³ The Church's pleas and requests that he honor his Agreement have proven
24 fruitless; rather, Armstrong, having spent the proceeds of his earlier hate
25 campaign, seems bent on extorting still more money from this plaintiff with
26 his outrageous conduct. On a daily and continuous basis, Armstrong is
working to poison proceedings involving current anti-Church litigants,
impeding any hope of resolving those cases short of a lengthy and expensive
trial.

27 ⁴ See, e.g., Exhibits 1F, 1J and 1K to Request for Judicial Notice
28 ("Request") and Exhibit 2B to Declaration of Andrew H. Wilson ("Wilson
Decl.")

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II. STATEMENT OF FACTS

A. The Settlement Agreement

In December, 1986, the Church entered into the Agreement with Armstrong. The Agreement provided for a mutual release and waiver of all claims arising out of a cross-complaint which defendant Armstrong had filed in Church of Scientology of California v. Gerald Armstrong, Los Angeles Superior Court No. C 420153.⁵ The Agreement included multiple clauses designed to guarantee that new actions were not spawned or encouraged by the conclusion of the old one.⁶ These clauses included provisions that Armstrong would not: (1) assist or advise anyone else engaged in litigation adverse to the interests of the Church; (2) testify or otherwise participate in any other judicial proceeding adverse to the Church unless compelled to do so by lawful subpoena; (3) disclose documents at issue in the case; or (4) disclose to anyone the terms of the Agreement itself.⁷ The Church had good reason for negotiating these particular clauses with Armstrong. In addition to his own litigation, Armstrong fomented significant additional litigation against the Church and other Churches of Scientology, stirring up enmities of other former members. Moreover, Armstrong became involved in plot after clandestine plot to take over or

⁵ The signatories to the Agreement were Gerald Armstrong and the Church of Scientology International, by its President, Heber Jentzsch. [Ex. 2A to Wilson Decl.] Mr. Armstrong's signature was witnessed by Jo Ann Richardson and Michael Sutter, and the Agreement was signed with approval as to form and content by Mr. Armstrong's attorney, Michael Flynn. [Id.]

⁶ See specifically ¶¶ 7(H), 7(G), 10, 7(D), 18(D), 20 of Exhibit 2A, the Agreement.

⁷ Armstrong also agreed that damages for violations of the nondisclosure provisions would be a liquidated amount of \$50,000 per disclosure.

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1 even destroy his former religion.⁸

2 Armstrong received a portion of a total settlement paid to his
3 attorney, Michael Flynn, in a block settlement concerning all of Mr.
4 Flynn's clients who were in litigation with any Church of Scientology or
5 related entity. The exact portion of the settlement which Armstrong
6 received was maintained as confidential between Mr. Flynn and Armstrong.

7 ///

8 ///

9
10 ⁸ In November, 1984, for example, Armstrong was plotting against the
11 Scientology Churches and seeking out staff members in the Church who would
12 be willing to assist him in overthrowing Church leadership. The Church
13 obtained information about Armstrong's plans and, through a police-
14 sanctioned investigation, provided Armstrong with the "defectors" he
15 sought. On four separate occasions in November, 1984, Armstrong met with
16 two individuals that he considered to be defectors, whom he knew as "Joey"
17 and "Mike." In reality, both "Joey" and "Mike" were loyal Church members
18 who, with permission from the Los Angeles police, agreed to have their
19 conversations with Armstrong surreptitiously videotaped. During the course
20 of these conversations, Armstrong:

21 a. Demanded that "Joey" provide him with copies of documents
22 published by the Church so that he could forge documents in the
23 same style. Armstrong wanted "Joey" to then plant these
24 Armstrong creations in the Church's files so that Armstrong could
25 tip off the Criminal Investigations Division of the Internal
26 Revenue Service ("CID"), and the incriminating documents would be
27 found in a resulting raid;

28 b. Sought to "set up" the defection of a senior Scientologist by
finding a woman to seduce him;

c. Told "Joey" all about his conversations with Al Lipkin, an
investigator for the CID, and attempted to get "Joey" to call
Lipkin and give him false information that would implicate the
Church's leaders in the misuse of donations; and

d. Instructed "Mike" on the methods of creating a lawsuit
against the Church leadership based on nothing at all:

ARMSTRONG: They can allege it. They can allege it.
They don't even have -- they can allege it.

RINDER: So they don't even have to have the document
sitting in front of them and then --

ARMSTRONG: F___ing say the organization destroys the
documents.

* * *

Where are the -- we don't have to prove a goddamn
thing. We don't have to prove s___t; we just have to
allege it.

[Ex. 3, Farny Decl., ¶¶ 4 and 5.]

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1 **B. Armstrong Has Violated the Settlement Agreement**

2 **1. Armstrong Violated The Agreement By Providing Aid To Anti-**
3 **Church Litigants Vicki And Richard Aznaran**

4 Vicki and Richard Aznaran ("the Aznarans"), are former Church members
5 currently engaged in litigation against, inter alia, RTC and CSI. In June,
6 1991, the Aznarans discharged their attorney, Ford Greene, and retained
7 Joseph A. Yanny to represent them. [Exs. 1A, 1B, 1C, 1D to Request,
8 Substitutions of Attorney.]⁹

9 While counsel for the Aznarans, Yanny hired Armstrong, in Yanny's own
10 words "as a paralegal to help [Yanny] on the Aznaran case." [Ex. 1E to
11 Request, Transcript of Proceedings in Religious Technology Center et al. v.
12 Joseph A. Yanny, et al., LASC No. BC 033035 ("RTC v. Yanny"), p. 25.] In
13 a holographic declaration supplied to Yanny, Armstrong admitted that Yanny
14 called him on July 10, 1991, and asked for Armstrong's help in Yanny's
15 representation of the Aznarans [Ex. 1F to Request, Declaration of Gerald
16 Armstrong of July 19, 1991, ¶ 2]; that Armstrong agreed to help Yanny with
17 the Aznarans' case; that he would travel to Los Angeles for that express
18 purpose on July 12, 1991 [Id., ¶ 3]; and that Armstrong asked Yanny to pay
19 him \$500 for his services. [Id., ¶ 3.] Armstrong admits that he did
20 travel to Los Angeles, did stay with Yanny on July 15 and 16, and wrote a
21 declaration for Yanny and the Aznarans. [Id., ¶ 4.] Yanny has also
22 admitted that he hired Armstrong as a paralegal against the Church and
23 other related entities. [Ex. 1G to Request, Declaration of Joseph A.
24 Yanny, July 31, 1991, ¶ 4, and Ex. 1E to Request, supra.]

25 Armstrong's acceptance of employment from Yanny to work on the

26 ⁹ Yanny is former counsel to the Church parties and his substitution into
27 the case was later vacated by the Court sua sponte, the Court noting that
28 Yanny's retention as the Aznarans' counsel was "highly prejudicial" to CSI.

1 Aznarans' case patently violates Paragraphs 10 and 7(G) of the Agreement,
2 which prohibits Armstrong from providing aid or advice to anyone engaged in
3 or contemplating litigation adverse to the Church. [Ex. 2A, ¶¶ 7(G), 10.]
4 The Aznarans are directly engaged in litigation with RTC and CSI, and
5 Armstrong has provided direct assistance to them by acting as Yanny's
6 paralegal. There could not be a clearer example of conduct which violates
7 the letter and intent of the Agreement.

8 **2. Armstrong Also Violated the Agreement by**
9 **Aiding Yanny in Litigation Against the Church**

10 After Yanny entered his appearance for the Aznarans and indicated to
11 Church counsel that he represented Armstrong as well, the Church and two
12 related entities sued Yanny in this Court. In that action, the Church
13 sought and obtained a Temporary Restraining Order and a Preliminary
14 Injunction against Yanny [Ex. 1H, Ex. 1I], enjoining Yanny from aiding,
15 advising, or representing, directly or indirectly, the Aznarans or
16 Armstrong, on any matters relating to the Church. In those proceedings,
17 Yanny filed two declarations prepared and executed by Armstrong [Exs. 1J
18 and 1K to Request] in which Armstrong asserts knowledge of settlements,
19 including his own, which he purportedly gleaned by working as a paralegal
20 for yet another law firm. [Ex. 1J to Request, ¶¶ 2-5]. The declarations
21 were offered by Yanny as part of Yanny's defense, which was ultimately
22 rejected by the Court when it issued its injunction. [Ex. 1E to Request,
23 at 31-34.] Just as in the Aznarans' case, this aid provided by Armstrong
24 to Yanny, a litigant against the Church, was a direct violation of
25 paragraphs 10 and 7(G) of the Agreement. Moreover, Armstrong attached as
26 an exhibit to one of the declarations, Ex. K, a copy of the Agreement, the
27 terms of which he had agreed to keep confidential. [Ex. 2A to Wilson
28 Decl., ¶ 18(d).] This disclosure of the terms of the Agreement is a direct

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1 violation of the Agreement.

2 3. **Armstrong Violated the Agreement by**
3 **Helping Ford Greene with the Aznaran Case**

4 Armstrong is brazenly, openly and continually assisting adverse
5 litigants and bragging about it to the Church's counsel and staff. After
6 Yanny's substitution into the Aznarans' case was summarily vacated, Ford
7 Greene was reinstated as the Aznarans' counsel of record. In a letter to
8 the Church's counsel dated August 21, 1991, Armstrong admitted that he had
9 been working at Greene's office with Greene on the Aznarans' case, helping
10 him to prepare responses to summary judgment motions filed in that case.
11 [Ex. 2B to Wilson Decl., p. 2.] Both Armstrong and Greene have freely
12 admitted in sworn declarations that Greene has and is continuing to employ
13 Armstrong as a paralegal in the Aznaran case. Armstrong himself describes
14 these activities as follows:

15 My help to Ford Greene in all of the papers recently filed
16 has been in proofreading, copying, collating, hole-punching,
17 stapling, stamping, packaging, labeling, air freighting, and
18 mailing. Mr. Greene and I have had several conversations during
19 this period, some of which certainly concerned the litigation.

20 [Ex. 1L to Request, Declaration of Gerald Armstrong (minus exhibits) at ¶
21 18. See also, Ex. 1M to Request, Declaration of Ford Greene, ¶ 7.]
22 Indeed, Armstrong's presence in Greene's offices has been continuous
23 throughout December, 1991, and shows no sign of cessation. [Ex. 5,
24 Declaration of Laurie J. Bartilson.]¹⁰

25 On October 3, 1991, the Church filed a motion in Los Angeles Superior

26 ¹⁰ In addition to the paralegal services Armstrong claims he provided the
27 Aznarans, Armstrong also provided the Aznarans with a declaration, dated
28 August 26, 1991, and filed in that case. [Ex. 1N to Request.] Armstrong's
declaration describes some of his experiences with and concerning the
Church, in direct violation of paragraphs 7(H), 7(G) and 10 of the
Agreement, and purports to authenticate copies of documents whose contents
he agreed, in paragraph 10 of the Agreement, never to reveal. [Id.,
Exhibits 1 and 2.]

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1 On October 3, 1991, the Church filed a motion in Los Angeles Superior
2 Court for enforcement of the Settlement Agreement and for liquidated
3 damages due to Armstrong's breaches of the Agreement. In Armstrong's
4 papers and at the hearing of the matter, Armstrong did not deny that he has
5 committed the multiple breaches which provoked the filing of the motion,
6 and he did not deny that his activities violated the specific provisions of
7 the Settlement Agreement cited in the moving papers.¹¹ Instead, Armstrong
8 raised the tired refrain that he had been under "duress" when he executed
9 the Agreement. Armstrong repeatedly raised this pretense and his alleged
10 "fear" of the Church before Judge Breckenridge, the trial judge in the
11 earlier, settled matter. It is, however, thoroughly belied by the approval
12 of the Agreement by Armstrong's attorney, and by Armstrong's conduct at the
13 time he signed the Agreement.¹² If anything, Armstrong has become bolder
14
15 reveal. [Id., Exhibits 1 and 2.]

16 ¹¹ Indeed, Armstrong's response to the motion was in part to boast that
17 not only had he committed the violations in question, he had never
18 intended to abide by the Agreement at all. In a declaration dated
19 November 17, 1991, Armstrong asserts that he read all of the clauses at
20 issue here and understood their import at the time he signed the
21 Agreement, but objected to them to his own lawyers and told his lawyers
22 he never intended to follow them. [Ex. 1P, Declaration of Gerald
23 Armstrong, ¶¶ 12-14.] Armstrong asserts that he "put on a happy face"
24 and went through the charade of signing the Agreement anyway, so that he
25 could have from the settlement the "financial wherewithal" to "get on
26 with next phase of [his] life." [Id., ¶ 17.] Naturally, Armstrong never
27 expressed to the Church or its lawyers that he had no intention of
28 honoring his Agreement when he signed the papers. If he had, the Church
would never have agreed to pay him anything.

23 ¹² Moreover, the credibility of this refrain is shattered by Armstrong's
24 own words, uttered months after obtaining a defense judgment in the
25 original Armstrong action based on his spurious claim of being under
26 "duress" due to his "fear" of the Church. In the November, 1984
videotaped conversations with Joey referred to above, the following
exchange took place while Armstrong was discussing his plans for
destroying the Church:

JOEY: Well, you're not hiding!

ARMSTRONG: Huh?

JOEY: You're not hiding.

ARMSTRONG: F--- no! And. . .

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1 become bolder as time has passed.

2 The Church's showing in support of the motion to enforce the
3 Settlement Agreement consisted of uncontroverted evidence that Armstrong
4 had violated paragraphs 10 and 7(G) of the Settlement Agreement by:

5 1) Providing aid to the Aznarans in their lawsuit against the
6 plaintiff via employment by Yanny as a paralegal;

7 2) Aiding Yanny in litigation against the Church by voluntarily
8 filing declarations on Yanny's behalf; and

9 3) Helping Ford Greene as a paralegal on the Aznaran case, and by
10 voluntarily providing declarations for filing by Greene in that case.

11 Not one word of Armstrong's opposition was devoted to challenging
12 those proven accusations. However, the Court, the Honorable Bruce R.
13 Geernaert presiding, did not address the merits, holding instead that there
14 was no jurisdiction to decide the motion.

15 While the Church has no interest in pursuing a multiplicity of suits,
16 Armstrong's own conduct demonstrates not an isolated incident, but an
17 ongoing campaign, no different from his earlier campaign of hatred and
18 harassment. With a new action now before the Court, an injunction should
19 and must issue to preserve the Church's rights pending trial.

20 III. ARGUMENT

21 A. An Injunction May Be Granted To Prevent The Breach Of A Contract The 22 Performance Of Which Would Be Specifically Enforced

23 C.C.P. § 526 empowers the court to grant an injunction to prevent a
24 breach of a contract if the contract is one which may be specifically
25 enforced. C.C.P. § 526; see also, Steinmeyer v. Warner Consolidated Corp.
26 (1974) 42 Cal.App.3d 515, 518, 116 Cal.Rptr. 57, 60 ("An injunction cannot
27 be granted to prevent breach of a contract which is not specifically
28 enforceable."); Southern Christian Leadership Conference of Greater Los

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1 Angeles v. Al Malaikah Auditorium Co. (1991) 230 Cal.App.3d 207, 281
2 Cal.Rptr. 216. The Agreement at issue is one which may be specifically
3 enforced by this Court as the contract is sufficiently definite and certain
4 in its terms, it is just and reasonable, the plaintiff has performed its
5 side of the bargain, Armstrong has breached the contract, the Agreement was
6 supported by adequate consideration, and the Church's remedy at law is
7 inadequate. Taramind Lithography Workshop, Inc. v. Sanders (1983) 143
8 Cal.App.3d. 571, 575, 193 Cal.Rptr. 409, 410.

9 Further, while the Agreement contains a liquidated damages provision,
10 it is a well-settled statutory principle that a contract providing for
11 liquidated damages does not prevent the contract from being specifically
12 enforceable. Civil Code § 3389. Accordingly, the Court is empowered to
13 grant a preliminary injunction to enjoin Armstrong from further breach.

14 **B. Preservation of the Status Quo and Prevention of Irreparable Injury**
15 **Requires the Court to Grant Plaintiff's Application**

16 While C.C.P. § 526(5) deters the granting of injunctions to prevent
17 the breach of a contract "the performance of which would not be
18 specifically enforced," this Agreement is patently specifically
19 enforceable. Indeed, Scientology's former Mother Church, the Church of
20 Scientology of California ("CSC"), has already obtained injunctions and
21 specific performance of similar settlement agreements.

22 In Wakefield v. Church of Scientology of California (11th Cir. 1991)
23 ___ F.2d ___ (Slip Op., Exhibit 1R to Request), CSC obtained specific
24 performance of an agreement substantially similar to this Agreement. CSC
25 moved to enforce the provisions of the settlement agreement, and the
26 district court ordered hearings before the magistrate judge, who concluded
27 that Wakefield had violated the agreement. The district court adopted the
28 magistrate judge's findings, and issued a preliminary and permanent

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1 injunction prohibiting Wakefield from violating the agreement. Id. When
2 Wakefield violated the injunction, again making media appearances, CSC
3 sought an order to show cause why Wakefield should not be held in contempt.
4 At an in camera proceeding, the magistrate judge found that Wakefield had
5 willfully violated the injunction, and recommended that the case be
6 referred to the United States Attorney's office for criminal contempt
7 proceedings. Id. at 4628.

8 Although the district court's issuance of the injunction in Wakefield
9 was not at issue in the Eleventh Circuit proceedings, the Eleventh Circuit
10 described in its opinion, "Wakefield's constant disregard and misuse of the
11 judicial process," suggesting approval of the district court's actions.
12 Id. at 4630.

13 Similarly, in McLean v. Church of Scientology of California (11th Cir.
14 1991) __ F.2d __ No. 89-3505 [separately Filed with this Court on April 28,
15 1992, Notice of Filing], plaintiff McLean also entered into a settlement
16 agreement containing confidentiality provisions preventing her from
17 discussing the litigation with anyone outside her immediate family. Id. at
18 2. By her own testimony, McLean admitted to reacquiring certain documents
19 and using them to "counsel" Church members. She further admitted to
20 discussing certain aspects of the suit with people outside her immediate
21 family. Id. at 3. As a result, the appellate court affirmed the district
22 court order permanently enjoining McLean from disclosing any information
23 about her lawsuit and the resulting settlement agreement. Id. at 6.

24 Just as the district courts in Wakefield and McLean found it necessary
25 to issue an injunction to enforce the agreement of the parties, so must
26 this Court issue a preliminary injunction to enjoin Armstrong from further
27 breaches. The status quo will be maintained and irreparable injury will be
28 prevented only by entering such an order.

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1 1. **The Status Quo Will Be Maintained**
2 **Only By Granting Plaintiff's Motion**

3 The status quo sought to be maintained by the Church is the
4 achievement by both sides of the benefits of the Agreement -- the status
5 quo which existed when, in December 1986, the Church and Armstrong were
6 fully performing their obligations under the Agreement. By repeatedly
7 violating the Agreement, Armstrong has destroyed the peace for which the
8 Church lawfully bargained. Absent the order the Church seeks, the damage
9 and corruption caused by Armstrong's outright and continuing breaches of
10 the Agreement will spread even further than it already has.

11 The fact that Armstrong intends to continue his transgressions and
12 damage the Church could not be any plainer. Indeed, Armstrong has already
13 made it overwhelmingly clear that he has deliberately breached the
14 Agreement by his own actions in aiding Yanny and Ford Greene in litigation
15 adverse to the Church and in his own statements made in his declarations
16 filed in the Aznaran case. Therefore, the Church requests that the Court
17 compel Armstrong to cease assisting parties with interests adverse to the
18 Church and to abide by the terms of the Agreement.

19 2. **The Church Will Be Irreparably Harmed**
20 **Absent the Issuance of an Injunction**

21 Not only is Armstrong assisting adversaries of the Church, he is doing
22 so to foster and perpetuate relentless litigation against the Church to
23 serve his own ends. Armstrong's conduct is continuous, oppressive and
24 malicious and has been undertaken for the express purpose of injuring
25 plaintiff. Only an injunction pending trial has any hope of stopping
26 Armstrong from waging his malicious, relentless and senseless war.

27 C.C.P. § 526 provides that an injunction can be granted when it
28 appears by complaint or affidavit that the commission of some act during
the continuance of the action would produce great or irreparable injury to

1 a party to the action (subdivision 2) or when it appears that a party to
2 the action is doing, or threatening to do, some act in violation of the
3 rights of another respecting the subject of the action and tending to
4 render the judgment ineffectual (subdivision 3). Here, an injunction is
5 needed to prevent Armstrong from continuously breaching the Agreement and
6 fomenting litigation against the Church while the Church awaits trial and
7 judgment on the merits. Although some of Armstrong's breaches are subject
8 to a liquidated damages clause, others, including the continual violations
9 which he is engaging in through his employment by Ford Greene, are not. It
10 is these continual violations, which no monetary award can remedy, which
11 the Church seeks to enjoin.¹³

12 C. A Balancing of the Equities Requires
13 The Court to Grant Plaintiff's Motion

14 In determining whether to grant injunctive relief, the Court must
15 balance the equities before it and exercise its discretion in favor of the
16 party most likely to be injured. Robbins v. Superior Court (1985) 38
17 Cal.3d 199, 205, 211 Cal.Rptr. 398, 402. In balancing the equities, the
18 Court considers two interrelated factors: (1) the likelihood that plaintiff
19 will prevail on the merits; and (2) the interim harm that plaintiff is
20

21 ¹³ No remedy may be available to the Churches in the form of liquidated
22 damages in any case. Armstrong has asserted by declaration that he is
insolvent, saying,

23 "I have attempted to obtain an attorney to represent me specifically
24 in the motion to enforce now before the court, but have so far been
unsuccessful. I do not have the wherewithal to retain any attorney
25 who would require a fee to defend me." [Ex. 1Q to Request.]

26 Armstrong's asserted insolvency made the guarantee of liquidated damages an
empty promise, and renders the Churches' damage, even for these breaches,
irremediable. West Coast Construction Company v. Oceano Sanitary District
27 (1971) 17 Cal.App.3d 693, 95 Cal.Rptr. 169.

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1 likely to suffer if the injunction is denied as compared to the harm that
2 defendants are likely to suffer if the injunction is granted. Id. at 206.

3 **1. Plaintiff Is Likely To Prevail On The Merits**

4 It is clear that the Church is likely to succeed on the merits. The
5 Church has submitted an overwhelming factual showing, which provides
6 thorough detail of Armstrong's willful injurious conduct and overt
7 violations of the Agreement. The Verified Complaint and the Declarations
8 of Lawrence E. Heller, Exhibit 4, and Laurie J. Bartilson, Exhibit 5,
9 supply only a portion of the facts for the Church's likelihood of success
10 on the merits. In addition, Armstrong's own statements, made in
11 declarations filed in the Aznaran case, as well as his own conduct, form
12 the best evidence that he has breached and will continue to breach the
13 Agreement, until this Court enjoins his violative conduct.

14 **2. The Interim Harm That Plaintiff Will Suffer**
15 **Absent An Injunction Exceeds Any Harm to**
16 **Armstrong If Injunctive Relief Is Granted**

17 Armstrong has no equities whatsoever in this action. No one has any
18 right to continue to violate a settlement agreement. Armstrong's only
19 "injury" if he is enjoined is that he will not be able to violate the
20 Agreement in the future. On the other hand, the harm that will be suffered
21 by the Church absent injunctive relief is the irreparable harm of being
22 victimized by Armstrong's violations, while others with interests adverse
23 to the Church benefit in legal proceedings from an unfettered flow of
24 breached obligations, wrongful disclosures and legal infidelity. Thus, the
25 balancing of the equities unquestionably favors the Church.

26 **IV. CONCLUSION**

27 In December, 1986, the Church bought an expensive peace from
28 Armstrong. Its members thought, and reasonably, that the negotiated peace
was desired by both sides, and permanent, its terms both clear and fair.

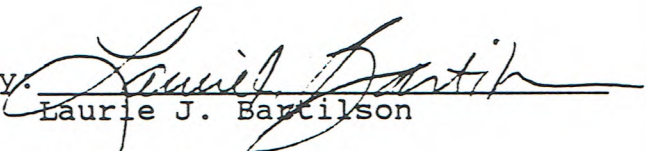
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1 Armstrong, his funds allegedly gone, has embarked on a campaign of
2 deliberate breaches reminiscent of the very conduct plaintiff sought to
3 end, in an obvious effort to convince the Church that it must pay for its
4 peace in five-year installments. Such an agreement was neither
5 contemplated nor made. By providing aid, declarations and information
6 which he agreed to keep confidential directly to the Church litigation
7 adversaries, Armstrong has repeatedly, deliberately and continuously
8 breached the Agreement which he signed and for which he accepted a
9 substantial settlement amount. Because Armstrong refuses to stop his
10 continuous contempt for his own agreements, this Court must, on the
11 uncontroverted evidence, much of it from Armstrong's own lips, enjoin him
12 from further breaching his Agreement while this action is pending.

13 Dated: May 7, 1992

Respectfully submitted,

14 BOWLES & MOXON

15
16 By: 
Laurie J. Bartilson

17
18 Andrew H. Wilson
WILSON, RYAN & CAMPILONGO

19 Attorneys for Plaintiff
20 CHURCH OF SCIENTOLOGY
INTERNATIONAL
21
22
23
24
25
26

27 H:\ARMSTRONPRELIM7

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PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Blvd., Suite 2000, Los Angeles, CA 90028

On May 7, 1992, I served the foregoing document described as AMENDED MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION FOR BREACH OF CONTRACT on defendants in this action as follows:

☐ by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;

☒ by placing ☐ the original ☒ a true copy thereof in a sealed envelope addressed as follows:

Paul Morantz BY HAND & TELEFAX
P.O. Box 11
Pacific Palisades, CA 90272

Graham Berry BY HAND & TELEFAX
Lewis, D'Amato, Brisbois & Bisgaard
221 N. Figueroa St. Suite 1200
Los Angeles, CA 90012

☐ BY MAIL

☐ *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

☐ As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more

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than one day after date of deposit for mailing an affidavit.

Executed on _____ at Los Angeles, California.

[X] **(BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressee.

Executed on May 7, 1992, at Los Angeles, California.

[X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

[] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Laurie B. Hill Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger)

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

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[] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;
[X] by placing [] the original [X] a true copy thereof in a sealed envelope addressed as follows:

Ford Greene BY MAIL & TELEFAX
Hub Law Offices
711 Sir Francis Drake Blvd
San Anselmo, CA 94960-1949

[x] BY MAIL

[] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

[x] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

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Executed on May 7, 1992 at Los Angeles, California.

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Executed on _____, at Los Angeles, California.

[X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

[] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Camille Barth Lawrence D. L. L.
Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger)

000022

1 Andrew H. Wilson
2 WILSON, RYAN & CAMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 BOWLES & MOXON
9 6255 Sunset Boulevard
10 Suite 2000
11 Hollywood, California 90028
12 (213) 661-4030

13 Attorneys for Plaintiff
14 CHURCH OF SCIENTOLOGY INTERNATIONAL

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA.

16 FOR THE COUNTY OF LOS ANGELES

17 CHURCH OF SCIENTOLOGY OF	) Case No. BC 052395
18 INTERNATIONAL, a California)
19 not-for-profit religious	) ERRATA SHEET TO AMENDED
20 corporation;	) MEMORANDUM OF POINTS AND
	) AUTHORITIES IN SUPPORT
	) OF PLAINTIFF'S MOTION FOR
	) PRELIMINARY INJUNCTION FOR
	) BREACH OF CONTRACT
)
21 Plaintiff,)
	) DATE: May 14, 1992
22 vs.	) TIME: 8:30 a.m.
	) DEPT: 86
23 GERALD ARMSTRONG and DOES 1)
24 through 25, inclusive,	) DISCOVERY CUTOFF: None
	) MOTION CUTOFF: None
25 Defendants.) TRIAL DATE: None
26)
27)
28)

RECEIVED
MAY 11 1992
HUB LAW OFFICES

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1 The attached pages 7-9, replace pages 7-9 of the Amended
2 Memorandum of Points and Authorities in Support of Plaintiff's
3 Motion for Preliminary Injunction for Breach of Contract, which
4 was filed on May 7, 1992.

5 Due to a computer malfunction the following corrections have
6 been made:

7 1. Line 1, page 8 was a duplicate of line 23, page 7; that
8 line 1 on page 8 has now been deleted.

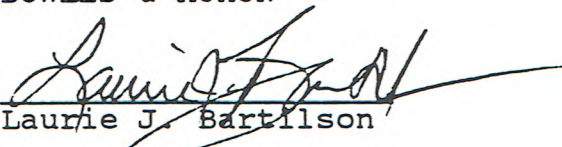
9 2. Half of fn. 12, page 8, was erroneously deleted; this
10 has now been fully restored on page 8.

11 3. The phrase "become bolder as time has passed" on line 1,
12 page 9, has been replaced with "as time has passed."

13 DATED: May 8, 1992

Respectfully submitted,

14 BOWLES & MOXON

15 By: 
16 Laurie J. Bartilson

17 Andrew H. Wilson
18 WILSON, RYAN & CAMPILONGO

19 Attorneys for Plaintiff
20 CHURCH OF SCIENTOLOGY
21 INTERNATIONAL
22
23
24
25
26
27

1 violation of the Agreement.

2 3. **Armstrong Violated the Agreement by**
3 **Helping Ford Greene with the Aznaran Case**

4 Armstrong is brazenly, openly and continually assisting adverse
5 litigants and bragging about it to the Church's counsel and staff. After
6 Yanny's substitution into the Aznarans' case was summarily vacated, Ford
7 Greene was reinstated as the Aznarans' counsel of record. In a letter to
8 the Church's counsel dated August 21, 1991, Armstrong admitted that he had
9 been working at Greene's office with Greene on the Aznarans' case, helping
10 him to prepare responses to summary judgment motions filed in that case.
11 [Ex. 2B to Wilson Decl., p. 2.] Both Armstrong and Greene have freely
12 admitted in sworn declarations that Greene has and is continuing to employ
13 Armstrong as a paralegal in the Aznaran case. Armstrong himself describes
14 these activities as follows:

15 My help to Ford Greene in all of the papers recently filed
16 has been in proofreading, copying, collating, hole-punching,
17 stapling, stamping, packaging, labeling, air freighting, and
mailing. Mr. Greene and I have had several conversations during
this period, some of which certainly concerned the litigation.

18 [Ex. 1L to Request, Declaration of Gerald Armstrong (minus exhibits) at ¶

19 18. See also, Ex. 1M to Request, Declaration of Ford Greene, ¶ 7.]

20 Indeed, Armstrong's presence in Greene's offices has been continuous
21 throughout December, 1991, and shows no sign of cessation. [Ex. 5,
22 Declaration of Laurie J. Bartilson.]¹⁰

23 On October 3, 1991, the Church filed a motion in Los Angeles Superior
24 ---

25 ¹⁰ In addition to the paralegal services Armstrong claims he provided the
26 Aznarans, Armstrong also provided the Aznarans with a declaration, dated
27 August 26, 1991, and filed in that case. [Ex. 1N to Request.] Armstrong's
28 declaration describes some of his experiences with and concerning the
Church, in direct violation of paragraphs 7(H), 7(G) and 10 of the
Agreement, and purports to authenticate copies of documents whose contents
he agreed, in paragraph 10 of the Agreement, never to reveal. [Id.,
Exhibits 1 and 2.]

1 Court for enforcement of the Settlement Agreement and for liquidated
2 damages due to Armstrong's breaches of the Agreement. In Armstrong's
3 papers and at the hearing of the matter, Armstrong did not deny that he has
4 committed the multiple breaches which provoked the filing of the motion,
5 and he did not deny that his activities violated the specific provisions of
6 the Settlement Agreement cited in the moving papers.¹¹ Instead, Armstrong
7 raised the tired refrain that he had been under "duress" when he executed
8 the Agreement. Armstrong repeatedly raised this pretense and his alleged
9 "fear" of the Church before Judge Breckenridge, the trial judge in the
10 earlier, settled matter. It is, however, thoroughly belied by the approval
11 of the Agreement by Armstrong's attorney, and by Armstrong's conduct at the
12 time he signed the Agreement.¹² If anything, Armstrong has become bolder

13
14 ¹¹ Indeed, Armstrong's response to the motion was in part to boast that
15 not only had he committed the violations in question, he had never intended
16 to abide by the Agreement at all. In a declaration dated November 17,
17 1991, Armstrong asserts that he read all of the clauses at issue here and
18 understood their import at the time he signed the Agreement, but objected
19 to them to his own lawyers and told his lawyers he never intended to follow
20 them. [Ex. 1P, Declaration of Gerald Armstrong, ¶¶ 12-14.] Armstrong
21 asserts that he "put on a happy face" and went through the charade of
22 signing the Agreement anyway, so that he could have from the settlement the
23 "financial wherewithal" to "get on with next phase of [his] life." [Id., ¶
24 17.] Naturally, Armstrong never expressed to the Church or its lawyers
25 that he had no intention of honoring his Agreement when he signed the
26 papers. If he had, the Church would never have agreed to pay him anything.

27
28 ¹² Moreover, the credibility of this refrain is shattered by Armstrong's
own words, uttered months after obtaining a defense judgment in the
original Armstrong action based on his spurious claim of being under
"duress" due to his "fear" of the Church. In the November, 1984 videotaped
conversations with Joey referred to above, the following exchange took
place while Armstrong was discussing his plans for destroying the Church:

JOEY: Well, you're not hiding!

ARMSTRONG: Huh?

JOEY: You're not hiding.

ARMSTRONG: F--- no! And. . .

JOEY: You're not afraid, are you?

ARMSTRONG: No! And that's why I'm in a f--king stronger position
than they are!

JOEY: How's that?

ARMSTRONG: Why, I'll bring them to their knees!

Ex. 3, Farny Decl., ¶ 6.

1 as time has passed.

2 The Church's showing in support of the motion to enforce the
3 Settlement Agreement consisted of uncontroverted evidence that Armstrong
4 had violated paragraphs 10 and 7(G) of the Settlement Agreement by:

5 1) Providing aid to the Aznarans in their lawsuit against the
6 plaintiff via employment by Yanny as a paralegal;

7 2) Aiding Yanny in litigation against the Church by voluntarily
8 filing declarations on Yanny's behalf; and

9 3) Helping Ford Greene as a paralegal on the Aznaran case, and by
10 voluntarily providing declarations for filing by Greene in that case.

11 Not one word of Armstrong's opposition was devoted to challenging
12 those proven accusations. However, the Court, the Honorable Bruce R.
13 Geernaert presiding, did not address the merits, holding instead that there
14 was no jurisdiction to decide the motion.

15 While the Church has no interest in pursuing a multiplicity of suits,
16 Armstrong's own conduct demonstrates not an isolated incident, but an
17 ongoing campaign, no different from his earlier campaign of hatred and
18 harassment. With a new action now before the Court, an injunction should
19 and must issue to preserve the Church's rights pending trial.

20 **III. ARGUMENT**

21 **A. An Injunction May Be Granted To Prevent The Breach Of A Contract The**
22 **Performance Of Which Would Be Specifically Enforced**

23 C.C.P. § 526 empowers the court to grant an injunction to prevent a
24 breach of a contract if the contract is one which may be specifically
25 enforced. C.C.P. § 526; see also, Steinmeyer v. Warner Consolidated Corp.
26 (1974) 42 Cal.App.3d 515, 518, 116 Cal.Rptr. 57, 60 ("An injunction cannot
27 be granted to prevent breach of a contract which is not specifically
28 enforceable."); Southern Christian Leadership Conference of Greater Los

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PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Blvd., Suite 2000, Hollywood, California 90028.

On May 8, 1992, I served the foregoing document described as ERRATA SHEET TO AMENDED MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION FOR BREACH OF CONTRACT on interested parties in this action by

- [] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;
[X] by placing [] the original [X] a true copy thereof in sealed envelopes addressed as follows:

Paul Morantz
P.O. Box 511
Pacific Palisades, CA 90272

Graham Berry
Lewis D'Amato, Brisbois & Bisgaard
221 N. Figueroa St.
Suite 1200
Los Angeles, CA 90012

Ford Greene, Esq.
177 Sir Francis Drake Blvd.
San Anselmo, CA 94960-1949

[X] BY MAIL

- [x] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.
[] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be

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deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is ~~presumed~~ invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

Executed on May 8, 1992, at Los Angeles, California.

- [] **(BY PERSONAL SERVICE) I delivered such envelope by hand to the offices of the addressee.

Executed on May 8, 1992, at Los Angeles, California.

- [X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.
- [] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

PAUL BEADFIELD
Type or Print Name


Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger)

PAUL MORANTZ
A Professional Corporation
P.O. Box 511
Pacific Palisades, California 90272
(310) 459-4745

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MAY 15 1992

HUB LAW OFFICES

HUB LAW OFFICES
Ford Greene, Esquire
California State Bar No. 107601
711 Sir Francis Drake Boulevard
San Anselmo, California 94960-1949
(415) 258-0360

Attorneys for DEFENDANT GERALD ARMSTRONG

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY
INTERNATIONAL, a California
not-for-profit religious
corporation;

Plaintiffs,

vs.

GERALD ARMSTRONG; DOES 1
through 25, inclusive,

Defendants.

) CASE NO. BC 052 395
) (Marin County Sup. Ct.
) Case No. 152 229
)
)

) OPPOSITION TO MOTION
) FOR PRELIMINARY
) INJUNCTION
)

) DATE: 5/14/92
) TIME: 8:30 A.M.
) DEPT: 86
)

) No Trial Date
) No Discovery Cut-off
) No Motions Cut-off
)
)
)
)

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<u>Keystone Co. v. Excavater Co.</u> (1933) 290 US 240	9
<u>Lind v Baker</u> 48 C2d 234;	6

<u>Long Beach Drug Co. v United Drug Co.</u> 13 Cal2d 158;	6
<u>Lorwin v Southern Calif. & IGB Inv.Co.</u> 101 CA3d 606, 637	6
<u>Mary R. v. B & R Corporation</u> (1983) 196 CR 781, 149 Cal.App.3d 308	178
<u>Mattei V. Hooper</u> (58) 51 Cal2d 119, 122	6
<u>Morey v Paladini</u> 187 C. 7272, 738	8
<u>Nebraska Press Asoc v. Short</u> 427 US 539, 559	6
<u>Organization For a Better Austin v Okeefe</u> 402 US 415	6
<u>People v. Dean Richard Pic'l</u> 31 Cal. 3d 731, 183 Cal. Rptr. 685, 646, p. 2d 847 (1982)	8,10,11
<u>Precision Co. v. Automotive Co.</u> 324 U.S. 806 (1944)	8
<u>Safeway Stores v. Hotel Clerks etc. Association</u> 41 Cal. 2d 567, 575, 261 p2d 721 (1953)	7
<u>Scientology v. Tax Comm.</u> (1984) 124 Misc. 2d 720	1
<u>Tamarind Litho v Sanders</u> 143 CA3d 571, 575.	6
<u>Tappan v. Albany Brewing Co.</u> 80 Cal. 570	9
<u>Tiedje v. Aluminum Paper Milling Co.</u> 46 C. 2d 450, 454, 296 p2d 554 (1956)	8
<u>United States v. Heldt</u> 668 F.2d 1238	13
<u>United States v. Hubbard</u> 493 F.Supp. 209	13

<u>United States v. Zolin</u> (6/20/90) 90 Daily Journal D.A.R. 6890	2,4
<u>United States v. Zolin</u> (9th Cir. 1987) 809 F.2d 1411	2,4
<u>United States v. Zolin</u> (1980) 109 S.Ct. 2619)	2,4
<u>Wakefield v Church of Scientology</u>	13
<u>Wollersheim v. Church of Scientology of California</u> (1989) 260 CR 331	13

TABLE OF CODES

18 U.S. Ca Section 201 (b) (3)	10
18 U.S. Ca Section 201 (c) (2)	10
Penal Code 138	10
B&P 16600	6

By this Motion, Plaintiff, Scientology, seeks the type of judicial stamp of approval over an obstruction of justice so criticized in Mary R. v. B & R Corporation, (1983) 196 CR 781, 149 Cal.App.3d 308, i.e. in order that witnesses cannot communicate to parties in litigation. ¹

I. PROCEDURAL HISTORY

1. In 1984 the Honorable Judge Paul C. Breckenridge, Jr., now retired, tried a complaint (Ex. 1-B)² by Scientology against Defendant Armstrong (Armstrong I, Case No. C 420153), claiming conversion of numerous Scientology documents that revealed falsehoods by Scientology concerning the life history of its founder, L. Ron Hubbard, and revealed crimes by Scientology against individuals and public entities. Included were certain tape recordings of Scientologists and their lawyers planning I.R.S. tax frauds ³ Judge Breckenridge ruled (Ex. 1-B; Ex. A,) that Armstrong's taking of the documents was proper because of

¹ Many Appellate Court decisions have noted Scientology's "litigious" history. Scientology v. Tax Comm., (1984) 124 Misc. 2d 720.

² EX "I" series refers to exhibits (in which Ex. I- 1 requests judicial notice thereof) in Evidence in Support of Defendant's Opposition to Scientology's Motion for Preliminary Injunction Vol I and Vol II filed 3-16-92. Ex "2" refer to exhibits to declaration of Gerald Armstrong filed 3-16-92. "Ex" without numbers refer to additional exhibits filed with this brief in case prior filings are lost and for court convenience.

Armstrong incorporates the brief of Amicus Yanny.

³ For discussion of content see United States v. Zolin, (6/20/90) 90 Daily Journal D.A.R. 6890; United States v. ZOLIN (9th Cir. 1987) 809 F.2d 1411; United States v. Zolin (1980) 109 S.Ct. 2619).

Scientology's practices of "fair game" (authorization to harass or destroy its enemies). ⁴ Specifically, Judge Breckenridge wrote (Ex.1-G;Ex A, pp 7-9):

"As indicated by factual findings, the court finds the testimony of Gerald and Jocelyn Armstrong, Laurel Sullivan, Nancy Dincalcis, Edward Walters, Omar Garrison, Kima Douglas, and Howard Schomer ⁵ to be credible, extremely persuasive. . . The picture painted by these former dedicated Scientologists, all of whom were intimately involved with... the Scientology Organization, is on the one hand pathetic, and on the other, outrageous. Each of these persons literally gave years of his or her respective life in support of a man, LRH, and his ideas. Each has manifested a waste and loss or frustration which is incapable of description. Each has broken with the movement for a variety of reasons, but at the same time, each is, still bound by the knowledge that the Church has in its possession his or her most inner thoughts and confessions, all recorded in "pre-clear folders" or other security files of the organization, and that the Church or its minions is fully capable of intimidation or other physical or psychological abuse if it suits their ends. The record is replete with evidence of such abuse.

" . . . In addition to violating and abusing its own members civil rights, the organization over the years with its "Fair Game" doctrine has harassed and abused those persons not in the Church whom it perceives as enemies. The organization clearly is schizophrenic and paranoid, and this bizarre combination seems to be a reflection of its founder LRH. The evidence portrays a man who has been virtually a pathological liar when it comes to his history, background, and achievements. The writings and documents in evidence additionally reflect his egoism, greed, avarice, lust for power, and vindictiveness and aggressiveness against persons perceived by him to be disloyal or hostile.

" 2. Following, Scientology entered into a written settlement with Armstrong on his pending cross-complaint for harassment, the subject of this request for a restraining order.

3. The contract (Ex 2-D; D) is designed to obstruct justice,

⁴ See Footnote 27, infra.

⁵ Note these are the same witnesses that subsequently appear on the contracts that require these witnesses not to cooperate, testify, or be interviewed by adverse Scientology litigants (Ex. 1-g; Ex. C). In said Exhibit, there are no "fees and expenses" for the first six listed. These individuals were brought into the "global" settlement and paid monies, despite having no litigation.

eliminate the "findings" of Judge Breckenridge (Ex 1-X), and prevent such findings from re-surfacing again in litigation.

4. First, the decision allowed for an appeal to continue on Judge Breckenridge's ruling wherein Defendant Armstrong would file no further oppositions thereto. (See paragraph 4A, Ex. 2- D; D). A side agreement made between Scientology lawyers and Michael Flynn, who represented Armstrong, provided if a new trial occurs Scientology would limit its damages against Armstrong to \$25,000, which would be reimbursed through Scientology lawyers to Michael Flynn (Exh. D2). Needless to say, neither Judge Breckenridge, nor the Court of Appeals was so advised of this collusion.⁶

5. Second, the next obstruction provision states Defendant Armstrong will not speak to, assist, be interviewed by, or attend any trial on behalf of, any adverse Scientology litigant. Further, he is to make himself non-amenable to service of process. (Ex. 2-D; D, paragraphs 7G, H, I) ⁷

6. Third, the agreement called for the return of all

⁶ See 12-11-86 transcript (Ex. 1-J, p. 2). Plaintiff attorney, Larry Heller, in his declaration, attempts to further this collusion by stating "only Armstrong's cross-complaint was involved in the settlement." Dec. of Heller in support of Motion for Preliminary Injunction, Ex. 4 at

⁷ This agreement was part of the "global" settlement with everyone who testified on Armstrong's behalf. Some had filed lawsuits, others made no claims (Exhs.C,G). Thus, Scientology purchased the silence of all its adverse witnesses. The rulings that ultimately this court makes will extend beyond just the parties. It will extend to all other unfortunate witnesses, who are afraid to talk for fear of civil lawsuits and restraining orders such as being presented here, and more important it will affect the many individuals, organizations, and governmental agencies who are continually sued by Scientology. Attorney Ford Greene and the undersigned, see our client as not just Mr. Armstrong, but the judicial system itself.

Scientology documents indicating Hubbard had lied about his history and describing Scientology crimes, despite Judge Breckenridge ruling Armstrong could keep and freely discuss them (Ex I-G at p3).⁸ The purpose was to keep the documents from other litigation and out of the court file. The Department of Justice and the I.R.S. were aware documents included plans of an I.R.S. fraud (see Zolin, fn, p. 2, paragraph 1; 90 D.A.R. 6890 June 20, 1990 Ex 1-KK). The government had instituted litigation to obtain these tapes over claims of attorney/client privilege (ultimately they succeeded, Zolin, supra). The herein agreement called for Armstrong's assistance in returning these tapes to Scientology in any way possible (Exh. D, paragraph 7E).

7. Seven years later, Scientology brought an action in Armstrong I (Ex 1-FF) seeking the identical restraining orders sought herein. The Honorable Judge Bruce R. Geernaert (Judge Breckendrige retired) on December 23, 1991,⁹ having reviewed the same papers before this court, denied injunctive relief. He did so

⁸ Early in Armstrong I Plaintiff attempted to silence Armstrong by injunction (Exs. I-D, I-D-1, I-D-2).

⁹ This Motion was an attempt to circumvent the order of Judge Raymond Cardenas in Department 4 made in the case of Religious Technology Center, et al v. Joseph Yanny (an attorney). Mr. Yanny is accused in said action of being a former Scientology attorney who is giving legal advice to Mr. Armstrong. Scientology brought an injunction against Mr. Yanny to prevent legal services, etc. to the herein Defendant. Judge Cardenas ordered an injunction against giving legal services, noting that Mr. Yanny cannot be harmed since he has denied he did the same. Specifically, the court noted that Mr. Yanny was free to talk to Mr. Armstrong, and to gather evidence from Mr. Armstrong in preparing his case (Exh. E, pp 4 and 6). The T.R.O, however, granted by Judge Dufficy on March 23, 1992 (Exh. B), prevents Judge Cardenas' order in Yanny from being implemented, thus violating Mr. Yanny's rights to defend himself (Exh. E).

on the grounds that while the record is clear Judge Breckenridge was to be provided a copy of the settlement agreement, he never, in fact, was (See Minute Order, Exh. D1) and never read it. In so ruling he made a factual finding Judge Breckenridge never read it, because he would not have approved it, the same violating public policy (Ex. 1-T; Ex. F, p. 52).

8. Specifically, Judge Geernaert stated:

"And I make sure that it is the kind of clear and concise order that can be the subject of a contempt proceeding. So my belief is Judge Breckenridge, being a very careful Judge, follows about the same practice and if he had been presented with the whole agreement and if he had been asked to order its performance, he would have dug his feet in because that is one of the -- I have seen -- I can't say -- I'll say one of the most ambiguous, one-sided agreements I have ever read. And I would not have ordered the enforcement of hardly any of the terms had I been asked to, even on the threat that, okay, the case is not settled.

I know we like to settle cases. But we don't want to settle cases and, in effect, prostrate the court system into making an order which is not fair or in the public interest.

So basically, I have to conclude based on the record that there was no order; simply, he wasn't presented the order. He was not asked to order its performance. He didn't order its performance (Ex. 1-T; F, p. 52)."

9. Scientology then re-filed for the same relief per a breach of contract theory in Marin County (Armstrong II). Marin County transferred the herein case back to Los Angeles. ¹⁰

10. Scientology then moved the court in Department 85 for a Preliminary Injunction scheduled for April 28, 1992. After Defendant Armstrong filed a Notice of Related Case, Department 1 re-assigned the herein action (Armstrong II) back to Judge Geernaert. Not surprisingly, on April 28, 1992, Scientology served

¹⁰ Before doing so, Judge Dufficy signed a T.R.O. without addressing the merits (Exh. B, pp. 4 and 7). Scientology also falsely told Judge Dufficy Judge Breckenridge approved the agreement. See Plaintiff's P&A's, p11, 15-6.

Judge Geernaert a previously prepared 170.6 affidavit, sending this case to Dept 86.

II. OBSTRUCTION OF JUSTICE

11. There are clauses, other than what is mentioned above, in the subject contract, and in the request for injunctive relief, denying Defendant Armstrong freedom of speech, i.e., the right to comment on his 17 years of his life. Our opposition is the contract resulted from duress, mistake, unfair practices improper legal representation (Armstrong's attorney, Michael Flynn was also a plaintiff against Scientology, and received payments of over \$1,000,000 when he and his clients signed these agreements, Ex. 2-L; Ex. C), is overbroad, vague¹¹, not mutual,¹² not proper subject of equitable remedy, restrains trade¹³ and because freedom of speech cannot be enjoined.¹⁴ If, in fact, a lawful contract has

¹¹ Long Beach Drug Co. v United Drug Co. 13 Cal2d 158; Lind v Baker 48 C2d 234; Hunter v Sup. Ct. 36 CA2d 100; Tamarind Litho v Sanders 143 CA3d 571, 575.

¹² Plaintiff argues it may speak of Armstrong in libelous terms, i.e. Armstrong planted forged documents in Scientology, but Armstrong must remain silent to the charges. (Ex 1-DD at p. 14; Ex 2-E thru K; Ex 1-EE). Plaintiff is thus estopped. Mattei V. Hooper (58) 51 Cal2d 119, 122; Lorwin v Southern Calif. & IGB Inv.Co. 101 CA3d 606, 637; Harpee v. Goldschmidt 156 C. 245.

¹³ The agreement is also an illegal restraint on trade. B&P 16600

¹⁴ "The loss of First Amendment freedoms, for even minimal periods of time, unquestionably constitutes irreparable injury." Elrod v. Burns (1976) 427 U.S. 347, 373-74, 49 L.Ed.2d 547; C.B.S., Inc. v. U.S. District Court (9th Cir. 1984) 729 F.2d 1174, 1177, 1183. The requested injunction is a forbidden prior restraint. Nebraska Press Assoc v. Short 427 US 539, 559; Organization For a Better Austin v Okeefe 402 US 415.

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been breached, the remedy is damages. ¹⁵

12. Most important, the contract illegally attempts to prevent testimony in any litigation involving Scientology.

A. THE CONTRACTS VIOLATE PUBLIC POLICY

13. As stated, Judge Bruce R. Geernaert already ruled on the violation of public policy, i.e.¹⁶ Judge Breckenridge never read or made an order based upon the agreement, finding Judge Breckenridge never would approve the agreement, even if it ended settlement, because the agreement violated public policy. ¹⁷

14. Public policy has been defined as "anything which tends to undermine that sense of security for individual rights, or personal liberty or private property, which any citizen ought to feel is against public policy." Safeway Stores v. Hotel Clerks etc. Association, 41 Cal. 2d 567, 575, 261 p2d 721 (1953).

15. Public policy prevents contracts to suppress facts from judicial proceedings. In Mary R. v. B & R Corporation, (1983) 196 CR 781, 149 Cal.App.3d 308, a trial court approved settlement stipulation not to discuss events was set aside when the attorney general's office sought to investigate. The appellate court held that placing a witness under fear prohibited lawful investigation and "A law established for public reason cannot be waived or circumvented by a private act or agreement."

¹⁵ The agreement calls for liquidated damages though the Defendant challenges the legality of same. (Exh. D, paragraph 7D).

¹⁶ See companion Request for Judicial Notice and Application of Collateral Estoppel.

¹⁷ See paragraph 8, Supra; see Request for Judicial Notice filed with this brief.

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16. In Tiedje v. Aluminum Paper Milling Co., 46 C. 2d 450, 454, 296 P2d 554 (1956), the court explained the principles of public policy are in "regard for a higher interest -- that of the public, whose welfare demands that certain transactions be discouraged."¹⁸

B. THE FACT THE AGREEMENT IS PART OF A SETTLEMENT

AGREEMENT IS IRRELEVANT

17. Mary R., supra. This case and People v. Dean Richard Pic'l, 31 Cal. 3d 731, 183 Cal. Rptr. 685, 646, p. 2d 847 (1982) (see infra) dictate no court can order the injunction sought.

18. In Mary R., the Appellate Court reversed a trial approved settlement wherein plaintiff could not discuss her complaint against a doctor, calling it a "ploy obviously designed by the physician to aid him to avoid the professional regulation . . . " and putting a judicial approval on an act to obstruct justice. Defendant asks this court not to do the same.

19. Civil lawsuits are brought under color of law, and Defendant has the same right to investigate as did the BMQA in Mary R.

20. The United States Supreme Court in Precision Co. v. Automotive Co., 324 U.S. 806 (1944) ruled invalid settlement contracts seeking to secure silence in future litigation. During an initial battle for patents, Automotive learned certain testimony was perjured. Instead of revealing the fraud, Automotive procured an outside settlement agreement with the perjurer, barring him from

¹⁸ See also Brown v Freese 28 Ca2d 608; Allen v Jordanos 52 CA3d 160; Agron v Shapiro 127 CA2d Supp 807, 273 P2s 631; Morey v Paladini 187 C. 7272, 738.

every questioning the validity of Automotive's patent. Through its settlement agreement Automotive procured silence. The Supreme Court stated the issues reached beyond the litigants and affected the public at large:

"The far-reaching social and economic consequences of a patent, therefore, give the public a paramount interest in seeing that patent monopolies from backgrounds free from fraud or other inequitable conduct and that such monopolies are kept within their legitimate scope. The facts of this case must accordingly be measured by both public and private standards of equity. And when such measurements are made, it becomes clear . . . Automotive knew and suppressed facts that, at the very least, should be been brought to the attention of the patent office, especially when it became evident that the interference proceedings would continue no longer . . . "

20. In Fong v. Miller, 105 Cal. App. 2d 411, 233 p2d 606 (1951) enforcement of such settlements was denied:

"Appellants bitterly complain that the court's action leaves the Respondent unjustly enriched. The complaint is a familiar one, it is generally made by those who, deeming themselves wronged by their companion in illegal ventures, find themselves denied of any right to enforce their unlawful agreements. Their pleas have always been unavailing. This rule is not generally applied to secure justice between parties who have made an illegal contract, but from regard for a higher interest -- that of the public, whose welfare demands that certain transactions be discouraged." (at 414-415).

21. And, in Tappan v. Albany Brewing Co., 80 Cal. 570, the court invalidated a settlement agreement stating:

"It was contended by the Respondent that this was nothing more than a payment of a sum of money by way of a compromise of litigation, and that such contracts have been upheld. We do not so construe the agreement. It was a promise to pay... for the concealment of a fact from the court and the parties material to the rights of said parties, and which it was her duty to make known. Such a contract was against public policy . . . "

22. And in Keystone Co. v. Excavater Co., (1933) 290 US 240, the United States Supreme Court stated (at 247):

"While it is not found, as reasonably as it may be inferred from the circumstances, that from the beginning it was Plaintiffs' intention through suppression of clutter's evidence to obtain decree in the Byers case for use in subsequent infringement suits

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against these Defendants and others, it does clearly appear that the Plaintiff made the Byers case a part of its preparation in these suits. The use actually made of that decree is sufficient to show that Plaintiff did not come with clean hands with respect to any cause of action in these cases."

C. SETTLEMENT AGREEMENTS ARE A FELONY

BOTH UNDER CALIFORNIA AND FEDERAL LAW

23. California Penal Code Section 138 provides payment to a person upon "any understanding or agreement" the person should "not attend" a trial is a crime. Similar language is in 18 U.S. Ca Section 201 (b) (3) and 18 U.S. Ca Section 201 (c) (2).

24. In People v. Dean Richard Pic'l, 31 Cal. 3d 731, 183 Cal. Rptr. 685, 646 P. 2d 847 (1982) the California criminal statute was applied against an attorney creating such an agreement on behalf of his client. Therein it was noted that an agreement to refuse to testify by doing "everything within my power" was a crime.¹⁹ The California Supreme Court stated:

"There is, of course, no talismanic requirement that a Defendant must say 'don't testify' or words tantamount thereto . . . as long as his words or actions support the inference that he . . . sought to prevent or dissuade a potential witness from attending upon a trial . . . a Defendant is properly held to answer (Citations.)"²⁰ (at 740)

¹⁹ This is exactly what has occurred herein. The contract calls for Armstrong to do everything in his power, even to avoid being amenable to service of process. As stated in Section II D, the fact that one would have to testify if subpoenaed just acknowledges something beyond even Plaintiff's power. In all of the cases cited under Section II, including Pic'l, the deponent could have been subpoenaed and could have been ordered by the court to testify. The crime, or the public policy violation, is the contract to do whatever one can to avoid cooperation, testifying, or attending a trial.

²⁰ Graham Berry, counsel for amicus curae, Joseph Yanny, in his brief, page 6, Footnote 4, noting the bizarreness of this motion, cites Alice in Wonderland. Certainly, the status of this case is "upside down." The question should not be whether or not Armstrong should be restrained from

D. POWER TO SUBPOENA

25. Plaintiff will argue there is no obstruction of justice because witnesses may be subpoenaed and there is no Constitutional right to interview witnesses. But a Defendant does have a Constitutional right to a fair trial, the right to interview witnesses who want to be interviewed.²¹

26. Judge Geernaert also noted the vagueness of the requirement not to be amenable to service, stating (Ex F,p22):

"... but I'll put it this way -- does that mean that if I were to issue an injunction, then we could have a contempt hearing if he was at a restaurant and the process service came in and he didn't jump up and run away?

It is a concept that I feel uncomfortable putting into an order, even though the parties put it into their agreement."

27. Imagine if this case was set for trial, and Scientology went to all defense witnesses and said here's \$10,000 each to get out of town. Is it less an obstruction of justice because Defendants have subpoenaed power? Does it matter the obstruction is part of a settlement?

28. That the contracts say Armstrong may testify when subpoenaed (however, they are suppose to avoid process), is surplusage. It is illusory. It makes no difference if the agreement said, "you can't testify even if you are subpoenaed"

voluntarily testifying at any litigation, but whether or not all Scientology lawyers, officers, directors, and employees who participated in the creation, execution, or attempted enforcement of these provisions, through either threats or litigation, should be referred by the court to proper authorities for criminal prosecution.

²¹ These agreements are also ambiguous. For example, if a former spouse seeks custody of a child of a parent residing in Scientology, is this adverse?

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because Scientology does not have power to override a subpoena. In cases cited above in which contracts were found unenforceable, (and in the criminal prosecution of Attorney Richard Pic'l), the witness always still could have been subpoenaed. It was an obstruction of justice to agree in substance "to do everything you can" to avoid testifying.²²

29. To cause witnesses to be interviewed only by deposition is too big of a burden on a non-insured defendant. A defendant has a right to prepare his defense and interview his witnesses in private. It is not the same to say he can go take a deposition with the other side looking over his shoulder, objecting and moving for protective orders.²³

30. Further, many defendants reside outside California and cannot be subpoenaed to trial. The expense of video-taping depositions out of state is enormous, nor is the affect the same. All of this obstructs justice.

31. An additional loser is the courts. Imagine a trial where Defendant places ten unprepared, non-interviewed witnesses on the stand and begins fishing-type depositions in front of a jury.²⁴

²² See discussion of Pic'l, supra.

²³ In one case, when witnesses subject to these agreements were subpoenaed, Scientology moved the court to quash the deposition subpoenas on the grounds that they violated the "spirit" of these agreements (Ex.1-CC; Ex. G).

²⁴ The court, most assuredly, would ask why weren't these witnesses interviewed so relevant questioning could commence. "Well, your honor, we tried, but they were paid money not to speak to us. We're sure they have relevant testimony; we just don't know what it is."

III. HISTORY

32. In the early 1980's eleven heads of Scientology were sentenced for conspiracy to obstruct justice.²⁵ This criminal prosecution produced many Scientology documents which revealed plans to frame governmental officials and other perceived enemies.²⁶

33. Other cases confirmed Scientology's "fair game" against its enemies.²⁷ Scientology's intent is to prevent judicially credited witnesses from further testifying. It is respectfully submitted, this court should not approve any obstruction against witnesses being interviewed by defendants in other litigation.²⁸

²⁵ The guilty included Hubbard's wife. Hubbard could not be found. Kendrick Moxon, one of the attorneys for the Plaintiff, in a stipulated record of evidence, was noted to have provided the F.B.I. with a bogus fingerprint sample of a key Scientologist involved in the covert operations (Exh. H).

²⁶ The records of these accounts can be verified by reading the affirming decisions in Church of Scientology of California v. Commissioner of Internal Revenue, (1987) 823 F.2d 1310; Church of Scientology v. I.R.S., 792 F.2d 153; In Re Search Warrant 572 F.2d 321; United States v. Heldt, 668 F.2d 1238; United States v. Hubbard, 493 F.Supp. 209.

²⁷ See Allard v. Church of Scientology, 58 Cal.App.3d 439; Christofferson v. Church of Scientology, 644 P.2d 577; Church of Scientology of Calif v. Commissioner of Internal Revenue, 823 F.2d 310; Wollersheim v. Church of Scientology of California, (1989) 260 CR 331; 212 Ca3d 872, 880, 888-89, pet. for cert. granted, vacated on other grounds, on remand 92 D.A.R. 3831 March 24, 1992; Church of Scientology v. Armstrong, (1991) 232 Cal.App.3d 1060.

²⁸ Plaintiff relies on a non-citable slip opinion in Wakefield v. Church of Scientology. The opinion does not state what the contract provides, nor what is restrained. Wakefield was not represented by counsel and did not participate in the appeal (brought by St. Petersburg Times). It is not California law. See Declaration of Ford Greene on the Subject of Wakefield v Church of Scientology of California filed 3-19-92.

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IV. SCIENTOLOGY HAS WAIVED THIS REMEDY

34. In paragraph 20 of the subject agreement (Exh. 2-D; Ex. F), written by Plaintiff, states the court in Armstrong I shall retain jurisdiction as the selected forum to enforce the agreement. That is where Scientology went. Judge Geernaert, however, refused to make any order enforcing the agreement because, despite contrary orders, Judge Breckenridge was never given the settlement document to read or review; and by finding Judge Breckenridge would have rejected the settlement, because it violates public policy (Exh. 1-T; Ex. F, p. 52).

35. In other words, Scientology chose Armstrong I as the forum for hearing any motion for injunction or other relief under this contract. The court in Armstrong I denied such relief for enforcement because Scientology had failed to abide Judge Breckenridge's orders to provide the settlement agreement to the court, and because the contract violates law. Thus, by the terms of its own agreement, and by failing to follow the orders of Judge Breckenridge, Scientology lost the right of enforcement.

Respectfully submitted,

Date: May _____, 1992

PAUL MORANTZ and
FORD GREENE
Attorneys for Defendant

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PROOF OF SERVICE BY MAIL

I am a resident of Los Angeles County, am over the age of eighteen, and not a party to the herein action. My business address is P.O. Box 511, Pacific Palisades, California 90272.

On May 6, 1992, I served the within Exhibits to Opposition for Motion for Preliminary Hearing and on May 7, 1992 I served the Opposition to Motion for Preliminary Hearing on the parties by placing a copy of the same in a sealed envelope with postage thereon and placed the same in the United States mail at Pacific Palisades address as follows:

Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
235 Montgomery Street
Suite 450
San Francisco, CA 94104

Laurie J. Bartilson
BOWLES & MOXON
6255 Sunset Boulevard
Suite 2000
Hollywood, CA 90028

Graham E. Berry
LEWIS, D'AMATO, BRISBOIS & BISGAARD
221 North Figueroa Street
Suite 1200
Los Angeles, CA 90012

I declare that the above is true under the penalty of perjury. Executed on May 6, 1992, at Pacific Palisades, California.

Paul Morantz

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MAY 20 1992

LOS ANGELES
SUPERIOR COURT

RECEIVED

MAY 21 1992

HUB LAW OFFICES

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

Case No. BC 052395

PLAINTIFF'S REPLY TO
DEFENDANT'S OPPOSITION
TO PLAINTIFF'S MOTION
FOR PRELIMINARY INJUNCTION

Plaintiff,

vs.

DATE: May 21, 1992
TIME: 8:30 a.m.
DEPT: 88

GERALD ARMSTRONG and DOES 1
through 25, inclusive,

DISCOVERY CUTOFF: None
MOTION CUTOFF: None
TRIAL DATE: None

Defendants.

1
2 I. INTRODUCTION

3 Armstrong's breach of the Settlement Agreement of December 4, 1986
4 is undisputed. In hundreds of pages of irrelevant briefing and
5 inflammatory exhibits, neither Gerald Armstrong nor his "amicus" Joseph
6 Yanny dispute that: (1) Armstrong committed each of the actions alleged
7 in plaintiff's complaint; and (2) each of those actions violated the
8 terms of the Settlement Agreement signed by the parties in December,
9 1986. [Exhibit A to the Complaint, the "Agreement"].

10 In 1986, Armstrong represented to plaintiff that he understood and
11 agreed with every provision of the Agreement which he signed. He did so
12 freely, without duress, in the presence of his attorney, plaintiff's
13 counsel, a notary and a video camera. [Declaration of Lawrence E. Heller
14 and Exhibits A and B thereto, Videotape and Transcript.]¹ He then
15 accepted a substantial sum of money from plaintiff and an end to
16 litigation as consideration for each of the promises which he made to
17 plaintiff.

18 In their diatribe against plaintiff and its affiliates, Armstrong
19 and Yanny avoid coming to grips with the only cases which have considered
20 agreements virtually identical to the one at issue here: Church of
21 Scientology of California v. Wakefield (11th Cir. 1991) 938 F.2d 1226;
22 McLean v. Church of Scientology of California (11th Cir. 1991) (Ex. C,
23 Slip Op.); Corydon v. Church of Scientology International, et al., LASC
24 No. C694401. [Declaration of William T. Drescher ("Drescher Decl.")
25 para. 17-20.] In each of these cases, provisions similar to those at
26 issue here were enforced. There is no basis for distinguishing those

27 ¹ Exhibit references are to the concurrently-filed Exhibits in Support
28 of Plaintiff's Reply to Defendant's Opposition to Motion for Preliminary
Injunction and Reply to Amicus Brief of Joseph A. Yanny.

1 cases from the instant one.

2 Much of Armstrong's response to plaintiff's irrefutable showing,
3 however, and that of his de facto co-counsel, Joseph Yanny,² has been to
4 interject into the record of this matter every ad hominem attack that
5 they could think of directed at plaintiff, its lawyers, its religion and
6 its founder, obviously hoping that if they bury this Court in enough
7 confusing, prejudicial and inflammatory allegations, they can divert the
8 Court's attention from the relevant facts and the applicable law that
9 render issuance of a preliminary injunction the only appropriate outcome.
10 These attacks -- which substitute adjectives for substance and invective
11 for analysis -- are comprised of falsehoods, half-truths and fifteen-
12 year-old unauthenticated documents that have nothing to do with this
13 case. All of this material should be stricken, and Armstrong and Yanny
14 admonished not to so burden the Court again.³

15 **II. ARMSTRONG HAS NOT REFUTED PLAINTIFF'S OVERWHELMING**
16 **DEMONSTRATION OF THE FACTS SUPPORTING ISSUANCE OF**
THE REQUESTED PRELIMINARY INJUNCTION

17 In the moving papers, plaintiff provided evidence that Armstrong had
18 violated paragraphs 10 and 7(G) of the Settlement Agreement by:

19 1) providing aid to Richard and Vicki Aznaran ("Aznarans") in their
20 lawsuit against cross-defendants and others, via employment as a
21 paralegal by Joseph Yanny working on that case; 2) aiding Yanny in
22 litigation against counterdefendants by voluntarily filing declarations
23 in his support; and 3) helping Ford Greene, the Aznarans' lawyer, as a

24 ² The arguments contained in Yanny's purported amicus brief, where they
25 differ from those raised by Armstrong, are discussed separately in
26 plaintiff's Reply to Amicus Brief of Joseph A. Yanny, filed concurrently
herewith.

27 ³ Plaintiff has separately objected to the documents and declarations so
28 offered with accompanying evidentiary objections, and moves to strike the
irrelevant evidence presented by Armstrong and Yanny.

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1 paralegal on the Aznaran case and by voluntarily providing declarations
2 for filing by Greene in the case.

3 Plaintiff further demonstrated that Armstrong's conduct was
4 intentional, ongoing and deliberate, requiring this Court not merely to
5 provide plaintiff with damages for Armstrong's breaches, but also to
6 enter an order enjoining him from further misconduct during the course of
7 these proceedings.

8 Not one word of Armstrong's -- or Yanny's -- opposition is devoted
9 to challenging these proven accusations. This is not surprising, as
10 plaintiff has demonstrated that it is Armstrong's own admissions that are
11 the basis for the allegations. Furthermore, Armstrong also does not deny
12 that these actions are violations of the specific settlement agreement
13 provisions whose enforcement is sought in the motion.⁴ As demonstrated
14 below, Armstrong's vitriolic attack on the Agreement from which he
15 himself has benefitted tremendously is not a proper defense to
16 plaintiff's motion. Plaintiff must prevail on its virtually un rebutted
17 evidentiary showing.

18 **III. THE AGREEMENT IS ENFORCEABLE, LEGAL**
19 **AND DOES NOT VIOLATE ANY PUBLIC POLICY**

20 Armstrong and Yanny mischaracterize the Agreement as one to suppress
21 evidence. It is not. It is an agreement designed to put an end to an
22 era of protracted litigation and harassment fostered by Armstrong. None

23
24 ⁴ Moreover, deposition testimony of Armstrong subsequent to this Court's
25 issuance of its March 5, 1992 Temporary Restraining Order, reaffirms the
26 compelling need for issuance of a preliminary and permanent injunction to
27 prevent continuing irreparable harm to plaintiff's rights. This
28 testimony, in two unrelated cases, demonstrates that the systematic
breaches of the Settlement Agreement by Armstrong are more widespread
than was known at the time the complaint was filed, and suggests that
Armstrong has also breached the terms of the Temporary Restraining Order
entered by Judge Dufficy on March 4, 1992. [See, Ex. E to Drescher
Decl., pp. 13-14; Ex. F to Drescher Decl., pp. 305-306.]

1 of the bargained-for consideration is or was illegal,⁵ and only by
2 outright misrepresentation can Armstrong even argue that this is the
3 case. Moreover, nothing in the Agreement violates public policy or the
4 First Amendment rights of anyone. In fact, the Agreement fosters the
5 public policy which uniformly favors private resolution of legal disputes
6 over protracted litigation.

7 **A. The Agreement is Legal**

8 Plaintiff has cited to the Court two recent decisions which are
9 dispositive of the issue faced here. These decisions upheld similar
10 provisions in agreements entered into with other individuals with whom
11 Church of Scientology entities settled in 1986. In Wakefield v. Church
12 of Scientology of California (11th Cir. 1991) 938 F.2d 1226, 1227,
13 settlement terms requiring confidentiality, which were substantially
14 similar to the terms which plaintiff seeks to enforce here, were upheld
15 by the district court and a criminal contempt citation recommended by the
16 magistrate judge for violations. These decisions were discussed with
17 approval by the Eleventh Circuit Court of Appeals. A reading of the
18 first paragraph of Wakefield shows its similarity to the instant
19 situation, and also recognizes that United States District Judge
20 Kovachevich had approved the Agreement:

21 Margery Wakefield and three other plaintiffs alleged that the
22 Church of Scientology of California (the Church) committed various
23 wrongful acts against them. On August 14, 1986, Wakefield, the other
24 plaintiffs, and the Church entered into a settlement agreement which

24 ⁵ Armstrong's argument that the Agreement is defective, and all the
25 lawyers involved in reaching the Agreement heinous, merely because the
26 Agreement did not vitiate plaintiff's right to appeal the Memorandum
27 Decision in Armstrong I, is ludicrous. No "plot" was afoot to conceal
28 from any court plaintiff's intention to seek declaratory relief from that
one-sided decision; indeed, in briefing the Court of Appeal, the Church
gave full disclosure of the circumstances, noting for the Court the
California law which permits such indemnity agreements. See also,
Declaration of Lawrence E. Heller.

1 included provisions enjoining Wakefield and the other plaintiffs from
2 discussing, with other than immediate family members, (1) the
3 substance of their complaints against the Church, (2) the substance
4 of their claims against the Church, (3) alleged wrongs the Church
committed, and (4) the contents of documents returned to the Church.
The district court approved the Settlement Agreement, sealed the
court files, and dismissed the case with prejudice.

5 Similarly, in McLean v. Church of Scientology of California (11th
6 Cir. 1991) [Slip Op., Ex. C] the Church obtained a permanent injunction
7 against Nan McLean from the district court for violating, inter alia,
8 similar confidentiality provisions of a settlement agreement which was
9 upheld by the Court of Appeals. Further, just last year, plaintiff and
10 co-parties settled the case of Corydon v. Church of Scientology
11 International, et al., LASC No. C694401, in a settlement containing
12 substantially similar terms to those which plaintiff seeks to enforce
13 here. [Drescher Decl., para. 17-20.] The settlement terms actually
14 reached in that case were hotly contested by Corydon after he and his
15 counsel agreed to them, with the result that Judge Leon Savitch went
16 painstakingly through the proposed agreement provision by provision. [Id.
17 para. 18.] All of the non-disclosure terms requested by the plaintiff,
18 which were substantially similar to the terms plaintiff seeks to enforce
19 here, were found by Judge Savitch to be valid terms of the settlement,
20 which he then ordered to be enforced as a judgment pursuant to C.C.P.
21 § 664.6. [Id., para. 20.] Indeed, when Corydon, after accepting his
22 substantial settlement, subsequently attempted to bring an appeal to
23 "rewrite" some of these terms, the Court of Appeal dismissed the appeal
24 without hearing. [Id., para. 19.]

25 These cases provide direct support for the issuance of the
26 injunction requested by plaintiff, and lay waste to Armstrong's arguments
27 that the Agreement's provisions are illegal, void or against public
28 policy. The only courts that have considered similar agreements have

1 found them to be enforceable.⁶

2 These provisions are also similar to provisions of an agreement
3 upheld in Hoffman v. United Telecommunications, Inc. (D.Kan. 1988) 687
4 F.Supp. 1512. Hoffman involved a confidential settlement agreement
5 between a defendant-employer and plaintiff-employee in an employment
6 discrimination case, which prohibited the employee or her counsel from
7 any further participation in the case, except that the employee could
8 testify pursuant to subpoena. The Equal Employment Opportunity
9 Commission (EEOC) moved to have the agreement declared unenforceable as
10 against public policy. The court denied the motion, finding that the
11 "(p)laintiff's interest in recovering monetary compensation in a private
12 settlement . . . outweighs, under the circumstances of this case, any
13 harm to the public policy that encourages cooperation in an investigation
14 of the subject employer." 687 F.Supp. at 1514. Most significantly, the
15 court stated, "Not the least justification of this holding is plaintiff's
16 availability to testify completely and truthfully upon being subpoenaed
17 by the EEOC."

18 **B. The Agreement Does Not Violate Public Policy**

19 Armstrong would have the Court accept a virtually limitless

20
21 ⁶ Armstrong tries to persuade this Court that Judge Geernaert
22 considered factual and legal issues concerning the agreement and decided
23 them on their merits. It is plain, however, from the transcript of that
24 hearing, that no such findings were ever made. [Ex. I to Drescher Decl.
25 at 11-12, 63-65]. Indeed, in a recent hearing, Judge Geernaert confirmed
26 that he had made no factual findings, such as those now asserted by
27 Armstrong, stating:

24 I have not made any ruling or decision based on a breach of
25 contract case. All I decided was the law applying to the
26 controversy as to whether or not it could be enforced under
27 664.6 or that other Code section, and both of those were
premiered on there being a prior Court order.... I
certainly didn't intend any of my analysis to be a factual
finding.

28 Ex. B to Declaration of Laurie J. Bartilson, Transcript of Proceedings,
April 28, 1992, pp. 21-22.

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1 definition of public policy and an unbounded obligation to refuse to
2 enforce as "illegal" any contract arguably in contravention of his open-
3 ended view of public policy. California courts, however, have been
4 reluctant to void contracts on public policy grounds. "'No court ought to
5 refuse its aid to enforce a contract on doubtful and uncertain grounds.'" Moran v. Harris (1982) 131 Cal.App.3d 913, 919-920, quoting Stephens v.
6 Southern Pacific Co. (1895) 109 Cal. 86, 89-90. Furthermore, the "burden
7 is on the defendant to show that its enforcement would be in violation of
8 the settled public policy of this state . . . " Moran v. Harris, p. 920,
9 quoting Stephens, supra. Armstrong has not carried his burden of showing
10 that the terms of the Agreement were "clearly and unequivocally" contrary
11 to public policy at the time the contract was made.
12

13 Armstrong's and Yanny's citations which claim that settlement
14 provisions which provide for confidentiality are "illegal" are
15 misrepresentations of the case law which they cite and provide no
16 guidance here. In Mary R. v. B. & R. Corp. (1983) 149 Cal.App.3d 308,
17 for example, the trial court, in dismissing the action, issued a blanket
18 order to "the parties, their agents or representatives never to discuss
19 the case with anyone." This Order prohibited the parties from complying
20 with a subpoena from either the Division of Medical Quality or a trial
21 subpoena. The court found that the Division's "statutory obligation to
22 the medical profession and the public to investigate all complaints of
23 physician misconduct" in California was effectively blocked by the
24 blanket silencing order. Id. at 315. In stark contrast, the Armstrong
25 Agreement does not interfere with judicial or administrative process.
26 The terms against voluntary cooperation fall far short of an order
27 banning all communications. In addition, no public agency's statutory
28 obligations are hampered in any way by the Agreement.

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1 Armstrong's reliance on People v. Dean Richard Pic'l (1982) 31
2 Cal.3d 731 is similarly misplaced. The agreement in that case provided
3 that the complainant in a criminal case would "refuse to prosecute."
4 Because the complainant had no control over the prosecution once he had
5 made the complaint, the Court held that the only meaning the contractual
6 term "refuse to prosecute" could have was that the complainant would
7 refuse to testify. Pic'l is irrelevant here because the Agreement does
8 not require Armstrong to refuse to testify.⁷

9 In all cases when contractual non-disclosure provisions were held
10 illegal or void for public policy, there was specific evidence needed in
11 connection with a trial or a government investigation of entitlement to
12 benefits which someone had agreed not to divulge under any
13 circumstances.⁸ In contrast, the Agreement here specifically recognizes
14 that Armstrong will provide evidence when called upon to do so by legal
15

16 ⁷ Armstrong's additional citations are, if anything, even less
17 applicable to this case than Mary R. and Pic'l. Precision Instrument
18 Manufacturing Co. v. Automotive Maintenance (1945) 324 U.S. 806, for
19 example, concerned a cover-up by parties to a fraud on the United States
20 Patent Office. Fong v. Miller (1951) 105 Cal.App.2d 411 involved a
contract concerning profit from illegal gambling, which the court refused
to enforce. Neither of these cases involved facts even remotely similar
to the facts presented here.

21 ⁸ Armstrong's contentions that the Agreement violated California Penal
22 Code § 136.1 and 18 U.S.C. §§ 201(b)(3) and (c)(2) are moronic. Those
23 sections address the situation in which a person offers a bribe to a
24 witness or someone about to be called as a witness in order to procure
25 that person's nonattendance at trial. Here, the Agreement plainly
26 acknowledges Armstrong's duty to respond to lawful process. Further,
27 § 138 requires that a party to the agreement be a "witness or (a) person
28 about to be called as a witness." Armstrong has submitted no evidence
that he was either a witness or about to be called as a witness in 1986,
when he signed the Agreement. The U.S. Code sections similarly make it a
crime to seek to influence or prevent testimony being given in response
to a lawful subpoena. No interpretation of the Agreement, no matter how
strained, could lead to the conclusion that plaintiff intended to do
either of those things when settling with Armstrong. Finally, at least 5
persons who signed agreements similar to the instant one have provided
testimony pursuant to subpoena. See Bartilson Decl. ¶ 6.

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1 process in connection with any matter. Such agreements have been upheld
2 by courts as legal, where a party agreed not to voluntarily testify, but
3 testimony pursuant to subpoena was specifically excepted from the
4 agreement. Hoffman v. United Telecommunications, Inc., supra;
5 Wakefield, supra; McLean, supra. Furthermore, there is no claim by
6 Armstrong that particular information he had was suppressed as evidence
7 for some specific proceeding. There is simply no similarity between
8 Armstrong's situation and the very specific cases he cites.⁹

9 Armstrong also argues that plaintiff may not ask the Court to
10 enforce the contract to which he agreed because it would violate either
11 his own First Amendment right to freely speak or the rights of "the
12 public" to hear what he has to say. However, it is well-established that
13 individuals may enter into valid contracts which restrict First Amendment
14 rights or other constitutional rights. ITT Telecomm Products Corporation
15 v. Dooley (1989) 214 Cal.App.3d 307, 319 (Free speech rights held waived
16 by contractual nondisclosure agreement); In re Steinberg (1983) 148
17 Cal.App.3d 14, 20 (Movie maker's First Amendment right to disseminate his
18 movie was limited by agreement to submit movie for editing prior to
19 release).¹⁰

20
21 ⁹ Yanny's urgings that an injunction would deprive him of Armstrong's
22 "vital" testimony is pure invention. Both Yanny and his attorney deposed
23 Armstrong over two days, ending only when Yanny's lawyer announced that
24 he had no further questions. (Drescher Decl., para. 21 and Ex. L
25 thereto.) Yanny's complaint is not that he may not obtain Armstrong's
26 testimony, but that he is prevented from obtaining Armstrong's aid in
27 Yanny's systematic attempts to violate his own fiduciary duties to his
28 former clients. See also, Plaintiff's Reply to Yanny's Amicus Curiae
Brief.

29
30 ¹⁰ Indeed, Armstrong's argument was recently rejected by the New York
31 Court of Appeals in Trump v. Trump (1992) ___ N.Y. 2d. ___. [Ex. A to
32 Bartilson Decl.]. The Trumps entered into a post-nuptial agreement
33 describing their rights and duties in the event of divorce. Inter alia,
34 Ivana Trump agreed not to "directly or indirectly publish, or cause to be
35 published, any diary, memoir, letter, story, photograph, interview,

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IV. CONCLUSION

For all of the foregoing reasons, plaintiff requests that the Court enter a preliminary restraining order pending resolution of plaintiff's claims at the trial of this matter.

Dated: May 19, 1992

Respectfully submitted,

BOWLES & MOXON

By:


Laurie J. Bartilson

Andrew H. Wilson
WILSON, RYAN AND CAMPILONGO

Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY
INTERNATIONAL

article, essay, account or description of any kind whatsoever . . . " concerning Donald or their marriage. Slip Op. at 3. Later, Ivana accepted the large sums which Donald had agreed to pay pursuant to the Agreement, and accepted entry of the terms of the Agreement as judgment. On its own motion, however, the trial court excepted the non-disclosure provisions from the entered judgment. Id. at 4-5. The New York appellate court found this to be an abuse of the trial court's discretion. Id. at 9. Noting that, in resolving litigation, "parties 'may stipulate away statutory, and even constitutional rights,'" id. at 5 (citations omitted), the appellate court reinstated the non-disclosure provisions, noting that nothing in them "offend[s] public policy as a prior restraint on protected speech." Id. at 9 (citations omitted). The Court was careful to note that a non-disclosure agreement done in settlement of litigation did not constitute the "state action" which is a necessary component of prior restraint.

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PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Blvd., Suite 2000, Los Angeles, CA 90028

On May 19, 1992, I served the foregoing document described as PLAINTIFF'S REPLY TO DEFENDANT'S OPPOSITION TO PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION on interested parties in this action as follows:

- ☐ by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;
- ☒ by placing ☐ the original ☒ a true copy thereof in a sealed envelope addressed as follows:

Paul Morantz BY HAND
P.O. Box 511
Pacific Palisades, CA 90272

Graham Berry BY HAND
Lewis, D'Amato, Brisbois & Bisgaard
221 N. Figueroa St. Suite 1200
Los Angeles, CA 90012

Ford Greene
Hub Law Offices
711 Sir Francis Drake Boulevard
San Anselmo, CA 9490-1949

☒ BY MAIL

- ☐ *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.
- ☒ As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid

at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit.

Executed on May 19, 1992 at Los Angeles, California.

[X] **(BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressee.

Executed on May 19, 1992, at Los Angeles, California.

[X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

[] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Paul H. Jones Paul H. Jones
Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

** (For personal service signature must be that of messenger)

1 Andrew H. Wilson
2 WILSON, RYAN & COMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 BOWLES & MOXON
9 6255 Sunset Boulevard
10 Suite 2000
11 Hollywood, California 90028
12 (213) 661-4030

13 Attorneys for Plaintiff,
14 CHURCH OF SCIENTOLOGY INTERNATIONAL
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FILED

EP
MAY 07 1992

JAMES H. DENNEY, CLERK

Margarita Reinoso
BY MARGARITA REINOSO, DEPUTY

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 FOR THE COUNTY OF MARIN
13

14 CHURCH OF SCIENTOLOGY)
15 INTERNATIONAL, a California not-)
16 for-profit religious corporation;)

17 Plaintiff,

18 vs.

19 GERALD ARMSTRONG; DOES 1, through)
20 25, inclusive,)

21 Defendants.)
22
23
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BC 052395
CASE NO. ~~152229~~

EVIDENCE SUBMITTED IN
SUPPORT OF PLAINTIFF'S
AMENDED MOTION FOR
PRELIMINARY INJUNCTION

DATE: May 14, 1992
TIME: 8:30 a.m.
DEPT: 86

MOTION CUTOFF: None
DISCOVERY CUTOFF: None
TRIAL DATE: None

000064

1 Andrew H. Wilson
2 WILSON, RYAN & CAMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 BOWLES & MOXON
9 6255 Sunset Boulevard
10 Suite 2000
11 Hollywood, California 90028
12 (213) 661-4030

13 Attorneys for Plaintiff
14 CHURCH OF SCIENTOLOGY INTERNATIONAL
15

16 SUPERIOR COURT OF THE STATE OF CALIFORNIA

17 FOR THE COUNTY OF LOS ANGELES

18 CHURCH OF SCIENTOLOGY	)	Case No. BC 052395
19 INTERNATIONAL, a California)	
20 not-for-profit religious	)	DECLARATION OF LAURIE J.
21 corporation;	)	BARTILSON IN SUPPORT OF
22	)	PLAINTIFF'S AMENDED
23 Plaintiff,	)	MEMORANDUM OF POINTS AND
24	)	AUTHORITIES IN SUPPORT
25 vs.	)	OF PLAINTIFF'S MOTION FOR
26	)	PRELIMINARY INJUNCTION
27 GERALD ARMSTRONG; DOES 1	)	FOR BREACH OF CONTRACT
28 through 25, inclusive,)	
29	)	Date: May 14, 1992
30	)	Time: 8:30 a.m.
31	)	Dept: 86
32)	
33	)	No Trial Date
34 Defendants.	)	No Motion Cut-off
35	)	No Discovery Cut-off

36 DECLARATION OF LAURIE J. BARTILSON

37 I, LAURIE J. BARTILSON, hereby depose and state:

38 1. I am an attorney, licensed to practice law in the State
39 of California. I am a partner in the law firm of Bowles & Moxon
40 and am counsel of record for plaintiff Church of Scientology
41 International in the above referenced action. I have personal
42 knowledge of the matters set forth herein and, if called upon to

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1 do so, could and would competently testify thereto.

2 2. Attached hereto as Exhibit 1 is a true and correct copy
3 of plaintiff's Request for Judicial Notice in Support of Motion
4 for Preliminary Injunction, the original of which was filed in
5 this action in the Superior Court for the County of Marin on
6 February 4, 1992.

7 3. Attached hereto as Exhibit 2 is a true and correct copy
8 of the Declaration of Andrew H. Wilson in Support of Motion for
9 Preliminary Injunction, the original of which was filed in this
10 action in the Superior Court for the County of Marin on February
11 4, 1992.

12 4. Attached hereto as Exhibit 3 is a true and correct copy
13 of the Declaration of Lynn R. Farny in Support of Motion for
14 Preliminary Injunction, the original of which was filed in this
15 action in the Superior Court for the County of Marin on February
16 4, 1992.

17 5. Attached hereto as Exhibit 4 is a true and correct copy
18 of the Declaration of Lawrence E. Heller in Support of Motion for
19 Preliminary Injunction, the original of which was filed in this
20 action in the Superior Court for the County of Marin on February
21 4, 1992.

22 6. Attached hereto as Exhibit 5 is a true and correct copy
23 of the Declaration of Laurie J. Bartilson in Support of Motion
24 for Preliminary Injunction, the original of which was filed in

25 ///

26 ///

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1 this action in the Superior Court for the County of Marin on
2 February 4, 1992.

3 I declare under the penalty of perjury that the foregoing is
4 true and correct.

5 Executed this 7th day of May, 1992 at Los Angeles,
6 California.

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8 
9 LAURIE J. BARTILSON

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WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

1 Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
2 235 Montgomery Street
Suite 450
3 San Francisco, California 94104
(415) 391-3900

4 Laurie J. Bartilson
5 BOWLES & MOXON
6255 Sunset Boulevard
6 Suite 2000
Hollywood, California 90028
7 (213) 661-4030

8 Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL
9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 FOR THE COUNTY OF MARIN

12 CHURCH OF SCIENTOLOGY	)	Case No.
INTERNATIONAL, a California)	
13 not-for-profit religious	)	DECLARATION OF ANDREW H. WILSON
corporation;	)	IN SUPPORT OF MOTION FOR
14	)	PRELIMINARY INJUNCTION
)	
15 Plaintiff,	)	FILED UNDER SEAL
16 vs.)	
	)	Date: February 14, 1992
16 GERALD ARMSTRONG; DOES 1	)	Time:
17 through 25, inclusive,	)	Dept.
)	
18 Defendants.)	
)	

19
20 I, ANDREW H. WILSON, declare:

21 1. I am an attorney at law, licensed to practice before the
22 Courts of the State of California and before this Court. I am a
23 partner with the law firm of Wilson, Ryan & Campilongo, attorneys of
24 record for Plaintiff Church of Scientology International
25 ("Plaintiff").

26 2. If called as a witness, I would and could testify thereto
27 to all facts within my personal knowledge except for those stated
28 upon information and belief.

1 3. Attached hereto as Exhibit A is a true and correct copy of
2 Mutual Release of All Claims and Settlement Agreement between
3 Plaintiff and Defendant Gerald Armstrong.

4 4. Attached hereto as Exhibit B is a true and correct copy of
5 letter dated August 21, 1991 to Eric M. Lieberman, Esq. from Gerald
6 Armstrong.

7 I declare under penalty of perjury that the foregoing is true
8 and correct and that this Declaration was executed on 1/3/92,
9 1992 at San Francisco, California.

10 
11 _____
12 ANDREW H. WILSON
13
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EXHIBIT A

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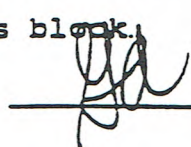
MUTUAL RELEASE OF ALL CLAIMS AND SETTLEMENT AGREEMENT

1. This Mutual Release of All Claims and Settlement Agreement is made between Church of Scientology International (hereinafter "CSI") and Gerald Armstrong, (hereinafter "Plaintiff") Cross-Complainant in Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153. By this Agreement, Plaintiff hereby specifically waives and releases all claims he has or may have from the beginning of time to and including this date, including all causes of action of every kind and nature, known or unknown for acts and/or omissions against the officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel of CSI as well as the Church of Scientology of California, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Religious Technology Center, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; all Scientology and Scientology affiliated organizations and entities and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Author Services, Inc., its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and its trustee; and Mary Sue Hubbard, (all hereinafter collectively referred to as the

"Releasees"). The parties to this Agreement hereby agree as follows:

2. It is understood that this settlement is a compromise of doubtful and disputed claims, and that any payment is not to be construed, and is not intended, as an admission of liability on the part of any party to this Agreement, specifically, the Releasees, by whom liability has been and continues to be expressly denied. In executing this settlement Agreement, Plaintiff acknowledges that he has released the organizations, individuals and entities listed in the above paragraph, in addition to those defendants actually named in the above lawsuit, because among other reasons, they are third party beneficiaries of this Agreement.

3. Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn. The total sum paid to Mr. Flynn is to settle all of the claims of Mr. Flynn's clients. Plaintiff's portion of said sum has been mutually agreed upon by Plaintiff and Michael J. Flynn. Plaintiff's signature below this paragraph acknowledges that Plaintiff is completely satisfied with the monetary consideration negotiated with and received by Michael J. Flynn. Plaintiff acknowledges that there has been a block settlement between Plaintiff's attorney, Michael J. Flynn, and the Church of Scientology and Churches and entities related to the Church of Scientology, concerning all of Mr. Flynn's clients who were in litigation with any Church of Scientology or related entity. Plaintiff has received a portion of this block.



amount, the receipt of which he hereby acknowledges.
Plaintiff understands that this amount is only a portion of the block settlement amount. The exact settlement sum received by Plaintiff is known only to Plaintiff and his attorney, Michael J. Flynn, and it is their wish that this remain so and that this amount remain confidential.



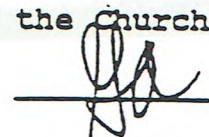
Signature line for Gerald Armstrong

4. For and in consideration of the above described consideration, the mutual covenants, conditions and release contained herein, Plaintiff does hereby release, acquit and forever discharge, for himself, his heirs, successors, executors, administrators and assigns, the Releasees, including Church of Scientology of California, Church of Scientology International, Religious Technology Center, all Scientology and Scientology affiliated organizations and entities, Author Services, Inc. (and for each organization or entity, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel); L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and trustee; and Mary Sue Hubbard, and each of them, of and from any and all claims, including, but not limited to, any claims or causes of action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153 and all demands, damages, actions and causes of actions of every kind and nature, known or unknown,

for or because of any act or omission allegedly done by the Releasees, from the beginning of time to and including the date hereof. Therefore, Plaintiff does hereby authorize and direct his counsel to dismiss with prejudice his claims now pending in the above referenced action. The parties hereto will execute and cause to be filed a joint stipulation of dismissal in the form of the one attached hereto as Exhibit "A".

A. It is expressly understood by Plaintiff that this release and all of the terms thereof do not apply to the action brought by the Church of Scientology against Plaintiff for Conversion, Fraud and other causes of action, which action has already gone to trial and is presently pending before the Second District, Third Division of the California Appellate Court (Appeal No. B005912). The disposition of those claims are controlled by the provisions of the following paragraph hereinafter.

B. As of the date this settlement Agreement is executed, there is currently an appeal pending before the California Court of Appeal, Second Appellate District, Division 3, arising out of the above referenced action delineated as Appeal No. B005912. It is understood that this appeal arises out of the Church of Scientology's complaint against Plaintiff which is not settled herein. This appeal shall be maintained notwithstanding this Agreement. Plaintiff agrees to waive any rights he may have to take any further appeals from any decision eventually reached by the Court of Appeal or any rights he may have to oppose (by responding brief or any other means) any further appeals taken by the Church of



Scientology of California. The Church of Scientology of California shall have the right to file any further appeals it deems necessary.

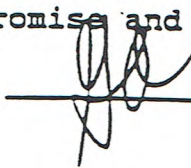
5. For and in consideration of the mutual covenants, conditions and release contained herein, and Plaintiff dismissing with prejudice the action Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153, the Church of Scientology of California does hereby release, acquit and forever discharge for itself, successors and assigns, Gerald Armstrong, his agents, representatives, heirs, successors, assigns, legal counsel and estate and each of them, of and from any and all claims, causes of action, demands, damages and actions of every kind and nature, known or unknown, for or because of any act or omission allegedly done by Gerald Armstrong from the beginning of time to and including the date hereof.

6. In executing this Agreement, the parties hereto, and each of them, agree to and do hereby waive and relinquish all rights and benefits afforded under the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

7. Further, the undersigned hereby agree to the following:

A. The liability for all claims is expressly denied by the parties herein released, and this final compromise and

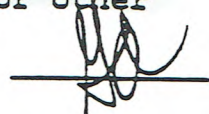


settlement thereof shall never be treated as an admission of liability or responsibility at any time for any purpose.

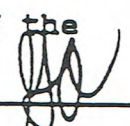
B. Plaintiff has been fully advised and understands that the alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the date hereof, and it is further understood that said alleged injuries, whether known or unknown at the date hereof, might possibly become progressively worse and that as a result, further damages may be sustained by Plaintiff; nevertheless, Plaintiff desires by this document to forever and fully release the Releasees. Plaintiff understands that by the execution of this release no further claims arising out of his experience with, or actions by, the Releasees, from the beginning of time to and including the date hereof, which may now exist or which may exist in the future may ever be asserted by him or on his behalf, against the Releasees.

C. Plaintiff agrees to assume responsibility for the payment of any attorney fee, lien or liens, imposed against him past, present, or future, known or unknown, by any person, firm, corporation or governmental entity or agency as a result of, or growing out of any of the matters referred to in this release. Plaintiff further agrees to hold harmless the parties herein released, and each of them, of and from any liability arising therefrom.

D. Plaintiff agrees never to create or publish or attempt to publish, and/or assist another to create for publication by means of magazine, article, book or other

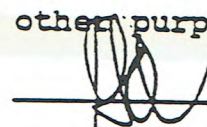


similar form, any writing or to broadcast or to assist another to create, write, film or video tape or audio tape any show, program or movie, or to grant interviews or discuss with others, concerning their experiences with the Church of Scientology, or concerning their personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff expressly understands that the non-disclosure provisions of this subparagraph shall apply, inter alia, but not be limited, to the contents or substance of his complaint on file in the action referred to in Paragraph 1 hereinabove or any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the organizations, individuals, or entities listed in Paragraph 1 above. The attorneys for Plaintiff, subject to the ethical limitations restraining them as promulgated by the state or federal regulatory associations or agencies, agree not to disclose any of the terms and conditions of the settlement negotiations, amount of the



settlement, or statements made by either party during settlement conferences. Plaintiff agrees that if the terms of this paragraph are breached by him, that CSI and the other Releasees would be entitled to liquidated damages in the amount of \$50,000 for each such breach. All monies received to induce or in payment for a breach of this Agreement, or any part thereof, shall be held in a constructive trust pending the outcome of any litigation over said breach. The amount of liquidated damages herein is an estimate of the damages that each party would suffer in the event this Agreement is breached. The reasonableness of the amount of such damages are hereto acknowledged by Plaintiff.

E. With exception to the items specified in Paragraph 7(L), Plaintiff agrees to return to the Church of Scientology International at the time of the consummation of this Agreement, all materials in his possession, custody or control (or within the possession, custody or control of his attorney, as well as third parties who are in possession of the described documents), of any nature, including originals and all copies or summaries of documents defined in Appendix "A" to this Agreement, including but not limited to any tapes, computer disks, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above, all evidence of any nature, including evidence obtained from the named defendants through discovery, acquired for the purposes of this lawsuit or any lawsuit, or acquired for any other purpose

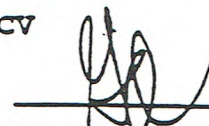


concerning any Church of Scientology, any financial or administrative materials concerning any Church of Scientology, and any materials relating personally to L. Ron Hubbard, his family, or his estate. In addition to the documents and other items to be returned to the Church of Scientology International listed above and in Appendix "A", Plaintiff agrees to return the following:

(a) All originals and copies of the manuscript for the work "Excalibur" written by L. Ron Hubbard;

(b) All originals and copies of documents commonly known as the "Affirmations" written by L. Ron Hubbard; and

(c) All documents and other items surrendered to the Court by Plaintiff and his attorneys pursuant to Judge Cole's orders of August 24, 1982 and September 4, 1982 and all documents and other items taken by the Plaintiff from either the Church of Scientology or Omar Garrison. This includes all documents and items entered into evidence or marked for identification in Church of Scientology of California v. Gerald Armstrong, Case No. C 420 153. Plaintiff and his attorney will execute a Joint Stipulation or such other documents as are necessary to obtain these documents from the Court. In the event any documents or other items are no longer in the custody or control of the Los Angeles Superior Court, Plaintiff and his counsel will assist the Church in recovering these documents as quickly as possible, including but not limited to those tapes and other documents now in the possession of the United States District Court in the case of United States v. Zolin, Case No. CV



85-0440-HLH(Tx), presently on appeal in the Ninth Circuit Court of Appeals. In the event any of these documents are currently lodged with the Court of Appeal, Plaintiff and his attorneys will cooperate in recovering those documents as soon as the Court of Appeal issues a decision on the pending appeal.

To the extent that Plaintiff does not possess or control documents within categories A-C above, Plaintiff recognizes his continuing duty to return to CSI any and all documents that fall within categories A-C above which do in the future come into his possession or control.

F. Plaintiff agrees that he will never again seek or obtain spiritual counselling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology organization or Scientology affiliated organization.

G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.

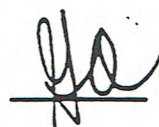
H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make

himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 18(d), the contents of this Agreement may not be disclosed.

I. The parties hereto agree that in the event of any future litigation between Plaintiff and any of the organizations, individuals or entities listed in Paragraph 1 above, that any past action or activity, either alleged in this lawsuit or activity similar in fact to the evidence that was developed during the course of this lawsuit, will not be used by either party against the other in any future litigation. In other words, the "slate" is wiped clean concerning past actions by any party.

J. It is expressly understood and agreed by Plaintiff that any dispute between Plaintiff and his counsel as to the proper division of the sum paid to Plaintiff by his attorney of record is between Plaintiff and his attorney of record and shall in no way affect the validity of this Mutual Release of All Claims and Settlement Agreement.

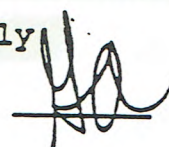
K. Plaintiff hereby acknowledges and affirms that he is not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.



L. Notwithstanding the provisions of Paragraph 7(E) above, Plaintiff shall be entitled to retain any artwork created by him which concerns or relates to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above provided that such artwork never be disclosed either directly or indirectly, to anyone. In the event of a disclosure in breach of this Paragraph 7(L), Plaintiff shall be subject to the liquidated damages and constructive trust provisions of Paragraph 7(D) for each such breach.

8. Plaintiff further agrees that he waives and relinquishes any right or claim arising out of the conduct of any defendant in this case to date, including any of the organizations, individuals or entities as set forth in Paragraph 1 above, and the named defendants waive and relinquish any right or claim arising out of the conduct of Plaintiff to date.

9. This Mutual Release of All Claims and Settlement Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital. This Agreement may be amended only by a written instrument executed by Plaintiff and CSI. The parties hereto have carefully read and understand the contents of this Mutual Release of All Claims and Settlement Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically



incorporated herein shall be deemed to in any way exist or bind any of the parties hereto.

10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement.

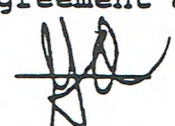
11. The parties to this Agreement acknowledge the following:

A. That all parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will;

B. That all parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement; and

C. That all parties have carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.

12. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and



all acts required by the terms hereof to be undertaken and performed by that party.

13. To the extent that this Agreement inures to the benefit of persons or entities not signatories hereto, this Agreement is hereby declared to be made for their respective benefits and uses.

14. The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

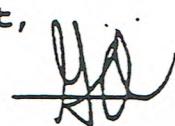
15. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

17. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the masculine and feminine.

18.(A) Each party warrants that they have received independent legal advice from their attorneys with respect to the advisability of making the settlement provided for herein and in executing this Agreement.

(B) The parties hereto (including any officer, agent, employee, representative or attorney of or for any party) acknowledge that they have not made any statement,



representation or promise to the other party regarding any fact material to this Agreement except as expressly set forth herein. Furthermore, except as expressly stated in this Agreement, the parties in executing this Agreement do not rely upon any statement, representation or promise by the other party (or of any officer, agent, employee, representative or attorney for the other party).

(C) The persons signing this Agreement have the full right and authority to enter into this Agreement on behalf of the parties for whom they are signing.

(D) The parties hereto and their respective attorneys each agree not to disclose the contents of this executed Agreement. Nothing herein shall be construed to prevent any party hereto or his respective attorney from stating that this civil action has been settled in its entirety.

(E) The parties further agree to forbear and refrain from doing any act or exercising any right, whether existing now or in the future, which act or exercise is inconsistent with this Agreement.

19. Plaintiff has been fully advised by his counsel as to the contents of this document and each provision hereof. Plaintiff hereby authorizes and directs his counsel to dismiss with prejudice his claims now pending in the action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.

20. Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain

jurisdiction to enforce the terms of this Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

21. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated: December 6, 1985



GERALD ARMSTRONG


Witness

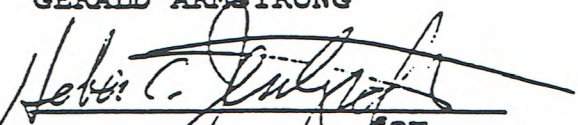

Witness

Dated: 12/6/86

APPROVED AS TO FORM AND
CONTENT:


MICHAEL J. FLYNN
Attorney for
GERALD ARMSTRONG

Dated: December 11, 1986


for
CHURCH OF SCIENTOLOGY
INTERNATIONAL

000088

Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
235 Montgomery Street
Suite 450
San Francisco, California 94104
(415) 391-3900

Laurie J. Bartilson
BOWLES & MOXON
6255 Sunset Boulevard
Suite 2000
Hollywood, California 90028
(213) 661-4030

Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
not-for-profit religious)
corporation;)
Plaintiff,)
vs.)
GERALD ARMSTRONG; DOES 1)
through 25, inclusive,)
Defendants.)

Case No.

DECLARATION OF
LAWRENCE E. HELLER
IN SUPPORT OF MOTION
FOR PRELIMINARY
INJUNCTION

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1 was not counseled regarding the settlement by cross-defendants or
2 their attorneys.

3 5. At the signing of the agreement, I had a videotape done
4 to memorialize what was occurring. I also asked Armstrong
5 specific questions regarding his understanding of the settlement
6 and of the conditions under which he was signing the agreement.
7 The videotape, which is attached hereto as Exhibit 1, is a true
8 depiction of what occurred. Armstrong was relaxed and happy and
9 joked about his unusual signature. He manifested no reservations
10 about the signing whatsoever. He also acknowledged that: 1) his
11 attorney had explained the legal and factual ramifications of the
12 documents to him; 2) he understood what he was signing and had no
13 questions about it; 3) he knew it was a settlement of litigation
14 with all of his attorney's clients involved in similar litigation
15 at the same time; 4) he had read and comprehensively reviewed the
16 documents; and 5) he was not suffering any duress or coercion in
17 connection with signing them.

18 6. During the negotiations there was discussion of non-
19 disclosure provisions on the part of both sides. It was
20 explained to Armstrong's counsel that the terms could not include
21 a non-disclosure provision by the Church parties as to Armstrong.
22 The reason for this provision not being possible was that
23 Armstrong would walk away from the settlement with the money he
24 received and not have any future problems, but the Church parties
25 would still be left with the prior declarations and other
26 statements provided by Armstrong to parties hostile to the
27 Church. There was no way to know when and where his prior
28 statements might surface in the future. The Church parties

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1 therefore needed to be able to use the information they had
2 regarding Armstrong, to be able to rebut Armstrong's earlier
3 statements. For that reason, no non-disclosure obligation of the
4 Church parties with respect to Armstrong was included in the
5 agreement.

6 I declare under penalty of perjury that the foregoing is
7 true and correct.

8 Executed at Beverly Hills, California, this ____ day of
9 January 1992.

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12 Lawrence E. Heller
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1 Andrew H. Wilson
2 WILSON, RYAN & CAMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 Debra S. Tobias
9 BOWLES & MOXON
10 6255 Sunset Boulevard
11 Suite 2000
12 Hollywood, California 90028
13 (213) 661-4030

14 Attorneys for Plaintiff
15 CHURCH OF SCIENTOLOGY INTERNATIONAL

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

13 CHURCH OF SCIENTOLOGY OF
14 INTERNATIONAL, a California
15 not-for-profit religious
16 corporation;

17 Plaintiff,

18 vs.

19 GERALD ARMSTRONG and DOES 1
20 through 25, inclusive,

21 Defendants.

) Case No. BC 052395
) EXHIBITS IN SUPPORT OF PLAINTIFF'S
) REPLY TO DEFENDANT'S OPPOSITION
) TO MOTION FOR PRELIMINARY
) INJUNCTION AND REPLY TO AMICUS
) BRIEF OF JOSEPH A. YANNY
) (VOL. I)

)
)
) DATE: May 21, 1992
) TIME: 8:30 a.m.
) DEPT: 88
)
) TRIAL DATE: None
) MOTION CUT-OFF: None
) DISCOVERY CUT-OFF: None

FILED

MAY 20 1992

JAMES H. DEMPSEY, CLERK

ORIGINAL FILED
BY M. CERVANTES, DEPUTY

MAY 20 1992

LOS ANGELES
SUPERIOR COURT

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1 same terms as the preliminary injunction which plaintiff seeks.
2 A true and correct copy of that order is attached hereto as
3 Exhibit C. On March 20, 1992, Judge Dufficy extended that order
4 for an additional 45 days to permit plaintiff time to refile this
5 motion in Los Angeles Superior Court. A true and correct copy of
6 the second order is attached hereto as Exhibit B. ^{1b}

7 6. Persons subject to restrictions similar to those
8 imposed upon Armstrong by the Agreement have testified, pursuant
9 to subpoena, in numerous cases against plaintiff and related
10 entities. For example, in the case of Corydon v. Church of
11 Scientology International, LASC Case No. C694401, in which I
12 represented Church of Scientology International, Bent Corydon
13 took the depositions of Homer Schomer, Laurel Sullivan, William
14 Franks, Ronald DeWolfe and Gerald Armstrong, all pursuant to
15 subpoena. Each of these persons had previously settled with the
16 Church, and each had signed a settlement agreement containing
17 provisions which were substantially similar to those about which
18 Armstrong complains.

19 7. Attached hereto is a true and correct copy of the
20 Declaration of Lynn R. Farny dated March 19, 1992, originally
21 filed in this matter on March 19, 1992 in Marin County,
22 California. Copies of all of the exhibits previously attached to
23 this declaration are attached to the copy filed herewith.

24 8. Attached hereto is a true and correct copy of the
25 Declaration of Lawrence E. Heller dated March 2, 1992, originally
26 filed in this matter on March 3, 1992 in Marin County,
27 California. Copies of all of the exhibits previously attached to
28 this declaration are attached to the copy filed herewith.

9. Attached hereto is a true and correct copy of the Supplemental Declaration of Lawrence E. Heller dated March 18, 1992, originally filed in this matter on March 19, 1992 in Marin County, California. Copies of all of the exhibits previously attached to this declaration are attached to the copy filed herewith.

I declare under the penalty of perjury that the foregoing is true and correct.

Executed this 17th day of May, 1992 at Los Angeles,
California.

LAURIE J. BARTILSON

1 Andrew H. Wilson
2 WILSON, RYAN & CAMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 BOWLES & MOXON
9 6255 Sunset Boulevard
10 Suite 2000
11 Hollywood, California 90028
12 (213) 661-4030

13 Attorneys for Plaintiff
14 CHURCH OF SCIENTOLOGY INTERNATIONAL

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA

16 FOR THE COUNTY OF MARIN

17 CHURCH OF SCIENTOLOGY)
18 INTERNATIONAL, a California)
19 not-for-profit religious)
20 corporation;)

21 Plaintiff,)

22 vs.)

23 GERALD ARMSTRONG; DOES 1)
24 through 25, inclusive,)

25 Defendants.)

Case No. 152229

DECLARATION OF
LAWRENCE E. HELLER

26 I, LAWRENCE E. HELLER, hereby declare:

27 1. I am an attorney at law duly licensed to practice
28 before all of the courts of the State of California and am
a partner in the law firm of Turner, Gerstenfeld, Wilk &
Tigerman. I have personal knowledge of the matters set forth
below, and if called upon to do so, could and would competently
testify thereto.

2. In 1986 I assisted various Churches of Scientology to
achieve the settlement of a series of lawsuits with attorney

000097

1 Michael J. Flynn and a several other attorneys around the
2 country, who represented a number of plaintiffs and witnesses
3 against those Churches of Scientology. Gerald Armstrong was one
4 of these plaintiffs.

5 3. To finalize this settlement with Armstrong, I met with
6 Mr. Armstrong and his attorney, Michael Flynn, in Los Angeles
7 on December 6, 1986. I was present when Mr. Armstrong, in the
8 presence of his attorney signed the Settlement Agreement with
9 the Church of Scientology International. This meeting and
10 signing was video taped.

11 4. Attached as Exhibit A to this Declaration is a copy of
12 the video tape made at that meeting. I have reviewed this tape
13 and state that it accurately depicts all of the events of that
14 meeting.

15 5. Attached as Exhibit B is a copy of the transcript of that
16 video tape. I have reviewed this transcript against the video,
17 itself, and state that it is an accurate transcription of the
18 video.

19 I declare under penalty of perjury that the foregoing is
20 true and correct. Executed this 2nd day of March, 1992, at
21 Los Angeles, California.

22 

23

Lawrence E. Heller

000099



**TRANSCRIPT OF GERALD ARMSTRONG VIDEO RECORDING OF
SETTLEMENT AGREEMENT SIGNING**

Appearances: December 6, 1986

LH: Larry Heller

GA: Gerald Armstrong

MF: Michael Flynn

JR: Jo Ann Richardson (Notary)

MS: Michael Sutter (Witness)

BEGINNING OF TAPE

LH This is fine, that covers everything and um, we're alright.

MF How many you got there?

LH Well I got the two affidavits for, then I got these here which, um, we don't have to sign these on video tape - we can do it if you like...

MF It makes no difference to me.

LH It's all the same to me too...

LH OK. It's now 9:04, ah, pm on December 6 1986 and to my left is Gerald Armstrong and next to him Michael J. Flynn. Um, Mr. Armstrong, I understand Mr. Flynn is your attorney here representing you today, is that correct?

GA Right.

LH OK. Ah, Mr. Armstrong I'm going to ask you to sign three documents, ah, a mutual release of all claims and settlement agreement, and two separate affidavits. Prior to doing so however, I would like to ask you some questions with regard to those documents, um-hum, excuse me, which I would like you to answer freely and honestly if you would. Ah, first of all have you had a chance to, ah, completely and comprehensively review and read these documents?

GA Yeah.

LH OK. Have you had a chance to discuss these documents with your attorney, Mr. Flynn?

GA Yes.

LH Has Mr. Flynn explained these documents as well the legal and factual ramifications to you, legal and practical ramifications to you to your satisfaction?

GA Uh, I think so, yes.

LH OK. Well do you have any question of that whatsoever?

GA No, I have no current questions about it.

LH OK, very good. You are going to sign these of your own free will?

GA Yes.

LH OK. You are not suffering from any duress or coercion which is compelling you to sign these documents?

GA No.

LH Alright, you are not presently under the influence of alcohol or any medication, prescription or otherwise, which would impede your ability to comprehend the um, legal and factual intent of these documents?

GA No.

LH Um, you may have noticed in reviewing the settlement agreement that, ah, you are part of a what we have generically described as a universal settlement, ah, what I mean by that is and you probably know that independently as well, as you're smiling. What I mean by that...

GA ... no, just that, that's the same as a global settlement, right?

LH It's the same thing. Exactly.

GA Got it.

LH I said generically described so far, universal, global, all encompassing - whatever you like, but the intent of it is that, um, you are one of many claimants uh, who uh, contend that they have claims against the Church of Scientology as well as related and unrelated entities and individuals. Some of those claimants have litigation such as you do pending against the Church of Scientology, some of them don't.

Uh, as you also may or may not know, uh, one lump sum payment is being made to Mr. Flynn. Um, Mr. Flynn is then

000102

going to be distributing from that lump sum certain sums to some or all of these claimants...

MF After I go to Rio.

LH After he goes to Rio, exactly. Neither I nor my clients know what the nature or amount that that distribution is um, and we don't want to know. Uh, what's important to us is that you realize that it's a universal/global settlement; that you realize that you are getting paid a certain amount out of that settlement, if you in fact are, and I'm making the assumption you are, but that, uh, and also that you tell me while we're now on video tape that you are happy and satisfied with the amount that Mr. Flynn has promised to pay you.

(phone rings and is answered)

GA Yes.

LH OK, now, other than any representations which Mr. Flynn has made to you in order to uh, get you to sign this uh, have any other representations been made by either myself or my clients or anything else which has compelled you to sign these documents?

Now, what I'm saying to you is there are obviously representations in the documents...

GA Correct.

LH Mr. Flynn has spoken with you - he has said you will get this and that for the, uh, whether money or other consideration for the signing of these documents...

GA Right.

LH OK, now I want to make sure that were there any other representations made to you of anything you would get in consideration for the signing of these documents.

GA Not in terms of what I would get: no.

LH OK. Along those same lines - As I said this is a universal settlement - ah, accordingly, ah, it is possible that some of the other parties may not settle for some reason, and I want you to be aware of the fact that if in fact one of those other, one or more of those other parties do not settle, this settlement falls through. You're aware of that?

GA OK.

000103

LH OK, and you're also aware of the fact however that we are putting these in what is in effect an escrow account - these documents and this video tape - an escrow, um, sort of holding place, uh, so that all of these documents in the video tape will be destroyed if the, uh, settlement does not go through. And you're aware of all that? ...OK?

GA Um-hum.

LH OK, uh, with that then why don't we take a picture of the mutual release of all claims and settlement agreement and then I'll ask you to sign it.

...zoom to document...

LH OK, now what I'm going to ask you to do is please is to initial each of the bottom of each of these pages, I'll turn the page for you and then you'll sign it, I think in two different places if you would.

...GA initials the document...

MF Oh you've got a signature there, Lar.

LH Oh, I'm sorry...that's right...right up here.

...GA continues to initial and sign the document...

LH OK and if you'd date and sign there please.

...GA signs the document...

MF You didn't want to eat dinner with any of those people anyway.

LH No, what did I want to go out to dinner for. Is that crazy? OK, let's see, if you give it to Mr. Flynn, he'll sign it ... and you'll take two separate pictures of these Ted.

...zoom into document...

MF Little art work?

GA I think it...I think we have to, seeing as that's how the checks are.

LH OK and I've just taken a picture of this affidavit and asked that you initial at the bottom of the pages and then sign it once you get your pen back.

...GA signs document...

MF (Laughs)

000104

LH OK, and here is the second affidavit...

...zoom into document...

LH OK.

...GA signs document...

MF How do you do that so quickly? That's awesome.

LH Um... OK, do you have any sort of identification on you so we can give it to the notary?

GA Sure.

LH So she can notarize your documents.

GA We haven't met before, have we?

JR No.

LH Why don't I have you sign...

LH Uh, I don't think we need to take a picture of this, this is the stipulated sealing order but you know what, all of these are for Bruce Bunch's signature I think...

MF Oh, are they...

LH Because...

MF Should we get Bruce down here at some point?

LH Well...

MF Bruce is in trial I think...

GA Yeah, he is.

MF Yeah, whatever, we can get Bruce back down here. He's in the middle of a trial...

LH I think I'd want either Bruce or Julia's signature on this.

MF Julia would probably be easier...

LH Yeah...

MF Cause Bruce is in the middle of a trial.

LH Well we can arrange for that, that shouldn't be a problem...

000105

MF Well she's coming Monday to do hers...right?

LH Exactly, um, ok, I noticed by the way, in this stipulation for return of sealed materials, it also has Mr. Armstrong's signature and your signature on it so...Let's take a picture of that.

...zoom into document...

LH And have you had a chance to read this yet Mr. Armstrong?

GA Yeah.

LH OK...alright... would you date and sign that please.

GA I keep thinking it's '85.

LH It's a good way...certainly...not to confuse your signature...

GA No.

LH ...Because Mr. Armstrong is, um, putting a face on his signature.

GA Makes it valuable.

LH Exactly.

MF It's awesome...as opposed to my ugly scrawl.

LH You probably have the same artistic talent that I have, which is...

MF Mine is zero.

LH Zero to none. OK, and I think that's it. Thank you Ted. Oh OK, or do you have any questions?

GA No, no

MF Those are orders...

LH These are orders which will be signed by the attorneys which will relate to sealing the files so that no one can get into them as well dismissing your actions. Those will be signed when the entire settlement is finished, um, and then given to the court for Judge Breckenridge's signature.

GA OK...

LH OK.

000106

MF We should put how many docs we got...

GA Do you need duplicate sets signed? Or is that...

MF No, no there's only one...

LH No.

...counting documents...

MF 1-2-3-4 here.

LH OK, I've got two here which is six and then there's two affidavits which is eight.

LH OK, and if you got a drivers license or...

GA Right here.

JR He gave it to me...

LH Already got it?

GA Yeah.

JR You need to put your signature there and your address there please.

LH So you had a good time today?

MF Oh yeah, we had an excellent time, it was very pleasant and we had a nice plane ride up - nice plane ride back...

LH Well Michael's good company.

MF Nice visit with ah...yeah, Mike's very good company... nice, pleasant...

LH I've flown with him once or twice myself.

MF Yeah.

LH The trouble with me, he ususally sleeps. I'm not sure why that is.

MF No, we didn't sleep, (laughs).

MF Witnesses, we need witnesses with some of these docs.

LH Uh, no I think there was a one...that's right.

MF ...several are needed...

000107

LH ...well, just, no only...

MF ...just the release.

LH Only the ah, mutual release...did I see a witness signature there? And there were... you know let's get Ted back - As a matter of fact Ted, why don't you roll this again because we're going to have witnesses sign. Thanks for reminding me.

MS Should Ted be a witness?

LH Oh, you two were witnesses so far... OK, we're back on the camera - 9:15 - and I neglected to get witnesses signatures on the uh, mutual release of all claims and settlement agreement so why don't I do that right now.

...Witnesses sign...

MS Just the one?

LH Okee-dokee, yup, and those are affidavits. Will you stamp them? Thanks Ted. Allright, so...we want to put up all this down in the vault...

MF This all goes together.

LH ...and you've marked that stuff for Michael Hertzberg.

MF Yeah. All marked.

END OF TAPE

000108

1
2 PAUL MORANTZ
3 A Professional Corporation
4 P.O. Box 511
Pacific Palisades, California 90272
(310) 459-4745

5 HUB LAW OFFICES
6 Ford Greene, Esquire
7 California State Bar No. 107601
8 711 Sir Francis Drake Boulevard
9 San Anselmo, California 94960-1949
10 (415) 258-0360

11 Attorneys for DEFENDANT GERALD ARMSTRONG

FILED

MAY 07 1992

CLERK

BY MARGARITA REINOSO, DEPUTY

12 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
13 COUNTY OF LOS ANGELES

14 CHURCH OF SCIENTOLOGY
15 INTERNATIONAL, a California
16 not-for-profit religious
17 corporation;

18 Plaintiffs,

19 vs.

20 GERALD ARMSTRONG; DOES 1
21 through 25, inclusive,

22 Defendants.

) CASE NO. BC 052 395
) (Marin County Sup. Ct.
) Case No. 152 229
)

) EXHIBITS TO
) SUPPLEMENTARY
) OPPOSITION TO MOTION
) FOR PRELIMINARY
) INJUNCTION
)

) DATE: 5/14/92
) TIME: 8:30 A.M.
) DEPT: 86
)

) No Trial Date
) No Discovery Cut-off
) No Motions Cut-off
)

23
24
25
26
27
28
000109

EXHIBIT C

000110

17-10-1987 HOD LAWYER TO GREENE 410-403-0010

Work
Copy

SETTLEMENT AGREEMENT

A. PRIOR SETTLEMENTS:

Settlement agreements made prior to November 1, 1986 and prior to the collective settlement stated below:

<u>Client</u>	<u>Amount</u>	<u>Fee and Expenses</u>
(1) Bears	\$115,000.00	To be determined with local counsel
(2) Garritys	\$175,000.00	To be determined with local counsel
(3) Petersons	\$175,000.00	To be determined with local counsel
(4) Jefferson	\$150,000.00	To be determined with local counsel
(5) Lockwood	\$150,000.00	To be determined with local counsel
(6) Hartwell	\$150,000.00	To be determined with local counsel
	<u>\$915,000.00</u>	To be determined with local counsel

B. INDEPENDENT SETTLEMENT:

The Christofferson-Titchborne settlement was made separate from the collective settlement. It was agreed to between attorney Gary McMurray, his client, Julie Christofferson-Titchborne and the Church of Scientology.

(3)	Robert Dardano	\$ 15,000.00	None
(4)	Warren Friske	\$ 15,000.00	None
(5)	William Franks	\$ 40,000.00	None
(6)	Laurel Sullivan	\$ 40,000.00	None
(7)	Edward Walters	\$100,000.00	To be determined between client and attorneys
(8)	Howard Schomer	\$200,000.00	To be determined between attorney Bunch and client
(9)	Martin Samuels	\$500,000.00	To be determined between attorney McMurray and client
(10)	Gerald Armstrong v. Church of Scientology	\$800,000.00	To be determined between attorney Bunch and client
(11)	Fees and expenses to attorneys Contos & Bunch, Robert Kilbourne, Michael Flynn, and associated counsel for the prosecution and defense of various cases including the "Hubbard documents" case, the "check-frame up" case and the defense of approximately 17 lawsuits against attorney Flynn and his clients.	\$500,000.00	To be determined between attorneys Contos & Bunch, Michael Flynn, Robert Kilbourne, and associated counsel
(12)	Flynn v. Ingram (No. _____)	\$575,000.00	To be determined between attorney Flynn and his counsel
	Flynn v. Hubbard (No. _____)	-0-	
		\$2,000,000.00	

We, the undersigned, agree and acknowledge that

- (1) we have read the foregoing Settlement Agreement;
- (2) that we agree with the total settlement amount and the allocations to the respective cases/clients as set forth therein;
- (3) that we have either consulted, been advised to consult, or have had the opportunity to consult with attorneys other than Michael J. Flynn who, we acknowledge is also a claimant against the Church of Scientology and L. Ron Hubbard;
- (4) that we agree to maintain the confidentiality of this Settlement Agreement;
- (5) that we acknowledge that many of the cases/clients involved in this settlement have been in litigation against the Church of Scientology for more than six to seven years, that many have been subjected to intense, and prolonged harassment by the Church of Scientology throughout the litigation, and that the value of the respective claims stated therein is measured in part by the (a) length and degree of harassment; (b) length and degree of involvement in the litigation; (c) the individual nature of each respective claim in connection with either their involvement with the Church of Scientology as a member and/or as a litigant; (d) the unique value of each case/client based on a variety of things including, but not limited to, the current procedural posture of a case, specific facts unique to each case, and financial, emotional or consequential damage in each case; that we agree and

acknowledge that Michael J. Flynn has primarily been responsible for bearing the cost of the litigation over a period of approximately seven years, that he or his firm's members have been required to defend approximately 17 lawsuits and/or civil/criminal contempt actions instituted by the Church of Scientology against him, his associates and clients, that he and his family have been subjected to intense and prolonged harassment, and that his claims against the Church of Scientology and L. Ron Hubbard, and his participation as an attorney have a unique value which is accurately and properly reflected in the allocations set forth herein.

Nancy Dincalci
NANCY DINCALCI

DATE: Dec 5, 1986

Kima Douglas
KIMA DOUGLAS

DATE: Dec 5 - 1986

Robert Dardano
ROBERT DARDANO

DATE: Dec - 20 - 1986

Warren Friske
WARREN FRISKE

DATE: _____

Laurel Sullivan
LAUREL SULLIVAN

DATE: Dec 7, 1986

Julia Christofferson
JULIA CHRISTOFFERSON

DATE: Dec 6, 1986

000115

EXHIBIT H

Paul Garrison
William Franks

Edward Walters
EDWARD WALTERS

Howard Scherer
HOWARD SCHERER

Martin Samuels
MARTIN SAMUELS

Gerald Armstrong
GERALD ARMSTRONG

MICHAEL J. FLYNN

CONTOS & BUNCH
A PROFESSIONAL CORPORATION

BY: Bruce H. Bunch
BRUCE H. BUNCH JULIA PRASCHKE

Gary Mc Murray
GARY MC MURRAY

ROBERT KILGOURNE

Jane Patterson
3:3:17

Richard Patterson

...
...

DATE: _____

DATE: ...

DATE: Victim 7th 1986

DATE: 12-5-86

DATE: Dec 4, 1986

DATE: 12-6-86

DATE: _____

DATE: 12-10-86

DATE: December 6, 1986

DATE: _____

DATE: _____

DATE: _____

000116 EXHIBIT H

COPY

Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
235 Montgomery Street
Suite 450
San Francisco, California 94104
(415) 391-3900

Laurie J. Bartilson
BOWLES & MOXON
6255 Sunset Boulevard
Suite 2000
Hollywood, California 90028
(213) 661-4030

Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF MARIN

CHURCH OF SCIENTOLOGY
INTERNATIONAL, a California
not-for-profit religious
corporation;

Plaintiff,

vs.

GERALD ARMSTRONG; DOES 1
through 25, inclusive,
Defendants.

Case No.

REQUEST FOR JUDICIAL
NOTICE IN SUPPORT OF
MOTION FOR PRELIMINARY
INJUNCTION

Date: February 14, 1992
Time:
Dept.:

Pursuant to California Evidence Code Sections 452(d) and 453,
Plaintiff respectfully requests that this Court take judicial
notice of the following:

1. A true and accurate copy of Substitution of Attorney
filed in the United States District Court, Central District, State
of California, in Case No. CV8-1786-WDK in the case entitled
Aznaran v. Church of Scientology of California, Inc., et al. (the
"federal Aznaran case") attached hereto as Exhibit A;

2. A true and accurate copy of Substitution of Attorney

WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

1 filed in the Aznaran federal case, attached hereto as Exhibit B;

2 3. A true and accurate copy of Substitution of Attorneys
3 filed in the federal Aznaran case, attached hereto as Exhibit C;

4 4. A true and accurate copy of Substitution of Attorneys
5 filed in the federal Aznaran case, attached hereto as Exhibit D;

6 5. A true and accurate copy of Reporter's Transcript of
7 August 6, 1991 before the Honorable Raymond Cardenas in the matter
8 of Religious Technology Center, et al. v. Joseph A. Yanny, et al.,
9 filed in the Superior Court of the State of California, County of
10 Los Angeles, in Case No. BC033035 (the "Los Angeles state
11 action"), attached hereto as Exhibit E; and

12 6. A true and accurate copy of Declaration of Gerald
13 Armstrong in Opposition to Motion for Temporary Restraining Order
14 filed on July 23, 1992 in the Los Angeles state action, attached
15 hereto as Exhibit F;

16 7. A true and accurate copy of Declaration of Joseph A.
17 Yanny in Opposition to Preliminary Injunction filed on July 31,
18 1991 in the Los Angeles state action, attached hereto as Exhibit
19 G;

20 8. A true and accurate copy of Minute Order filed in the
21 Los Angeles state action, attached hereto as Exhibit H;

22 9. A true and accurate copy of Preliminary Injunction filed
23 in the Los Angeles state action, attached hereto as Exhibit I;

24 10. A true and accurate copy of Declaration of Gerald
25 Armstrong filed in Opposition to Motion for temporary Restraining
26 Order, attached hereto as Exhibit J;

27 11. A true and accurate copy of Declaration of Gerald
28 Armstrong in Opposition to Motion for Temporary Restraining Order,

1 attached hereto as Exhibit K;

2 12. A true and accurate copy of Declaration of Gerald
3 Armstrong Regarding Alleged "Taint" of Joseph A. Yanny, Esq. filed
4 in the Aznaran federal case, attached hereto as Exhibit L;

5 13. A true and accurate copy of Declaration of Ford Greene
6 Regarding Alleged "Taint" of Joseph A. Yanny, Esq. filed in the
7 Aznaran federal case, attached hereto as Exhibit M;

8 14. A true and accurate copy of Declaration of Gerald
9 Armstrong in Opposition to Motion to Exclude Expert Testimony
10 filed in the Aznaran federal case, attached hereto as Exhibit N;

11 15. A true and accurate copy of Order Vacating Court's Prior
12 Approval of Substitution of Counsel and Order Approving
13 Plaintiffs' Request to Be In Pro Per, filed in the Aznaran federal
14 case, attached hereto as Exhibit O; and

15 16. A true and accurate copy of Declaration of Gerald
16 Armstrong in Support of Defendant and Cross-Complainant's
17 Opposition to Notice of Motion and Motion to Enforce Settlement
18 Agreement; for Liquidated Damages and to Enjoin Future Violations,
19 attached hereto as Exhibit P; and

20 17. A true and accurate copy of Declaration of Gerald
21 Armstrong filed on or about October 17, 1991 in the matter of
22 Church of Scientology California, et al. v. Gerald Armstrong,
23 Superior Court of the State of California, County of Los Angeles,
24 Case No. C420153, attached hereto as Exhibit Q.

25 / / /

26 / / /

27 / / /

28 / / /

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1 18. A true and accurate copy of Wakefield v. The Church of
2 Scientology (11th Circuit, 1991), ___ F.2d ___, attached hereto as
3 Exhibit R.

4 Dated: Feb. 4, 1992

WILSON, RYAN & CAMPILONGO

BY: Linda M. Fong

Linda M. Fong
Attorneys for Plaintiff
Church of Scientology
International



SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT 41

HON. RAYMOND CARDENAS, JUDGE

RELIGIOUS TECHNOLOGY CENTER, A
CALIFORNIA NON-PROFIT RELIGIOUS
CORPORATION; CHURCH OF SCIENTOLOGY
INTERNATIONAL, A CALIFORNIA NON-PROFIT
RELIGIOUS CORPORATION; AND CHURCH OF
SCIENTOLOGY OF CALIFORNIA, A
CALIFORNIA NON-PROFIT RELIGIOUS
CORPORATION,

PLAINTIFFS,

VS.

JOSEPH A. YANNY, AN INDIVIDUAL;
JOSEPH A. YANNY, A PROFESSIONAL LAW
CORPORATION; AND DOES 1 THROUGH 25,
INCLUSIVE,

DEFENDANTS.

SUPERIOR COURT
CASE NO. BC 033035

REPORTER'S TRANSCRIPT

AUGUST 6, 1991

APPEARANCES:

(AS NOTED ON NEXT PAGE.)

COPY

LINDA STALEY, CSR NO. 3359
OFFICIAL REPORTER

000122

EXHIBIT E

1 CETERA, NOTHING TO DO WITH ADVERSE REPRESENTATION OF
2 SCIENTOLOGY. THEY DO NOT HAVE THE RIGHT --

3 THE COURT: MR. YANNY, I STATED THAT THE TRO WAS TOO
4 BROAD IN THAT IT IS THE COURT'S INTENT NOT TO PRECLUDE
5 ASSOCIATION, DISCUSSION, AND SO FORTH, AND I THOUGHT THAT
6 WOULD SEND THE MESSAGE THAT IF THERE WAS AN ORDER, IT WOULD
7 BE A LOT MORE NARROW THAN THE TRO THAT WAS SIGNED.

8 MR. YANNY: YOUR HONOR, BUT BASED ON THE STRENGTH OF
9 WHAT THEY'VE SHOWN; NOTHING?

10 AND WHAT YOU'RE GOING TO DO BY GIVING THESE,
11 THE MOST LITIGIOUS PEOPLE IN THE CITY OF LOS ANGELES, MAYBE
12 THE STATE OF CALIFORNIA, AND MAYBE THE UNITED STATES,
13 YOU'RE GOING TO GIVE THEM AN ORDER BY WHICH THEY ARE THEN
14 GOING TO HARASS EVERY ONE OF MY EMPLOYEES LIKE YOU SAW THEM
15 DO BEFORE, EVERY ONE OF MY CLIENTS, LIKE YOU SAW THEM DO
16 BEFORE.

17 OKAY. AND THAT, BASED ON THE STRENGTH OF
18 WHAT THEY SHOWED, YOU KNOW, IT IS -- I HATE TO SAY THIS --
19 THAT IS INEQUITABLE -- THAT IS INEQUITABLE -- AND ALL OF
20 THIS BECAUSE I DID ONE THING; I HIRED GERRY ARMSTRONG AS A
21 PARALEGAL TO HELP ME ON THE AZNARAN CASE?

22 THE COURT: NO. ALL BECAUSE --

23 MR. YANNY: I TOLD HIM ABOUT COPYRIGHT NOTICES AND I
24 MADE AN APPEARANCE IN A FEDERAL CASE AND THAT THE JUDGE
25 DISQUALIFIED ME.

26 I DON'T THINK AN ORDER IS APPROPRIATE. THIS
27 CASE SHOULD HAVE BEEN THROWN OUT WHEN YOU SAW THE
28 COMPLAINT.

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EXHIBIT F

Declaration of Gerald Armstrong

I, Gerald Armstrong, declare:

1. I have been advised by attorney Joseph A. Yanny that he has been sued by one or more Scientology entities, hereinafter referred to as "the organization," for inducing me to breach a settlement agreement I entered into with the organization in December 1986. I am making this declaration to show that this allegation is in every respect untrue.

2. I received a telephone call from Mr. Yanny to my answering machine on or about July 10, 1991. He left a message which simply said, "I need your help." I

called him back at which time he reiterated his request for my help and explained that because of organization machinations (which have been detailed in other declarations by other parties), Rick and Vicki Azmaran, plaintiffs and counter-defendants against the organization had been induced to fire their attorney, Ford Greene, and that Mr. Yanny had come into the case to ensure they had legal representation. Mr. Yanny also expressed during this conversation some personal concerns, which will remain private and confidential

between Mr. Yonny and me.

3. I told Mr. Yonny at that time that I would help and that I would travel to Los Angeles on July 12. & I asked him for five hundred dollars to cover my expenses, and told him he could consider it as purchase of stock in the Herald Armstrong Corporation (TGAC). I also counseled Mr. Yonny at that time regarding his personal spiritual difficulties. (TGAC is a California Corporation in which, although it bears my name and I am its active officer,

I own no stock

4. I did travel to Los Angeles, did stay at Mr. Yanny's home, did work in his office on July 15 and 16, and did write and execute a declaration on July 16 giving my knowledge of the effect of the December 1986 group settlement agreements on the ability of the Azranone and other individuals victimized by the organization to obtain proper legal representation. I also discussed with Mr. Yanny literary and

artistic matters, areas of the law, as a copyright and trademark attorney, in which he has expertise. The majority of my time with Mr. Yonny concerned spiritual matters, an area in which I have expertise.

5. I refer this Court to my declarations of March 15, 1990 and December 25, 1990, and the exhibits thereto. These declarations detail the circumstances at the time of the December 1986 settlement and the many instances subsequently

when I was attacked
or threatened by the
organization in violation
of the settlement agreements.
These declarations make it
very clear that I consider
I have a right to counter
the organization's attacks,
to speak out against
its policy of "fair game"
and assaults on the
basic rights of individuals,
and to assist those
whom I would depend
on for protection against
the organization's legal
and extra-legal might
and antisocial acts.
It is therefore the or-

organization itself which induced me, if I was induced by any human agency to do anything which the organization might consider a breach of the settlement agreement.

6. But more than a desire to protect myself or right the organization's unjust acts towards me, however, I helped Mr. Yanny for the simple reason that he asked. I will do the same for anyone. The organization is aware of this fact because it received my letter of

June 21, 1991, a copy of which will accompany this declaration as Exhibit 1, and acknowledged the letter's receipt in their letter of July 3, 1991, a copy of which will accompany this declaration as Exhibit 2. It is not only the right of all men to respond to requests for help, it is our essence. If I was induced, therefore, to help Mr. Yanny, or anyone else, it was our Creator who induced me. Mr. Yanny, unlike the organization, was not aware of my dedication to helping my fellow humans, did not know of my June

21, 1991 letter, so am
in innocence.

7. I do not ask for
or expect a fee for my
help, although generally
I do not refuse whatever
is given me. I know
that I am sustained
completely by the Great
Coordinator Who sends to
me whenever He wants me
to help. I therefore can-
not be induced by money
or whatever anyone can
offer me.

I declare under the
pain and penalty of perjury
under the laws of the
State of California that
the foregoing is true and

correct:

Executed this 19th day
of July at New York, New
York.

H.



Herald Armstrong

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EXHIBIT J

1 I, GERALD ARMSTRONG, declare and state that:

2 1. I am the defendant and cross-complainant in the
3 case of Church of Scientology of California vs. Gerald Armstrong,
4 Los Angeles Superior Court No. C420153. I was a member of
5 Scientology from 1969 to 1981 and have been involved in
6 litigation with various Scientology entities, hereinafter
7 referred to as "the organization", since 1982. I have testified
8 approximately 47 days in trials or depositions in at least 10
9 cases against Scientology. I am very knowledgeable in
10 Scientology litigation and operations, and am qualified to render
11 the opinion in Paragraph 7 below.

12 2. In 1985 and throughout 1986, I worked as a
13 paralegal in the law firm of Flynn, Joyce and Sheridan in Boston,
14 Massachusetts. I worked on all the organization-related
15 litigation handled by the firm during that period. Michael Flynn
16 was the prime mover in much of the organization-related
17 litigation throughout the United States until December 1986 when
18 he settled all the cases in which he was involved. I was
19 represented in Armstrong by Flynn, Joyce and Sheridan and the law
20 firm of Contos and Bunch in Woodland Hills, California until the
21 settlement.

22 3. In a declaration I executed December 25, 1990,
23 ~~which~~ I filed in the California Court of Appeal in the
24 organization's appeal (Civ. No. B038975) from a Superior Court
25 ruling unsealing the Armstrong court file, which had been sealed
26 in December, 1986, I detailed the circumstances of and my
27 involvement in the settlement. In that declaration, I waived the
28 attorney-client privilege between Mr. Flynn and me only as to our

1 conversations concerning the settlement, and I reiterate that
2 waiver at this time, and extend it to include my other attorneys.

3 4. During the settlement negotiations and thereafter,
4 I learned from Mr. Flynn, and two other attorneys in both firms
5 which represented me in Armstrong, that all the attorneys who had
6 been involved in the organization-related litigation had agreed,
7 as part of the settlement, to not represent or assist anyone in
8 any future litigation against the organization.

9 5. Each of the law firms involved was also required,
10 as part of the settlement, to turn over to the organization its
11 Scientology-related documentary evidence, as was each of the
12 litigants. Each of the litigants, moreover, was required, as
13 part of the settlement, to not assist any aggrieved party in
14 future litigation against the organization, and to avoid service
15 of process in such litigation. These conditions are stated in
16 the settlement agreement I signed in December 1986, a copy of
17 which is marked and exhibited herewith as Exhibit "1".

18 6. Since the settlement, the organization's attorneys
19 have threatened me on six occasions that I would be sued if I
20 violated the settlement's restrictions. The organization
21 meanwhile has itself violated the letter and spirit of the
22 settlement regarding me on numerous occasions. I have detailed
23 these instances in my December 25, 1990 declaration and a
24 declaration I executed on March 15, 1990 which was also filed in
25 the above-referenced appeal.

26 7. The effects of the December 1986 settlement
27 agreements in the legal community and on future individuals
28 aggrieved by the organization are obvious. Potential attorneys,

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1 knowing or learning that they would be denied the documentary
2 evidence which had previously been available, denied assistance
3 from the key witnesses against the organization, and denied
4 assistance from the most knowledgeable attorneys in the world in
5 this field of litigation would be more than reluctant to accept
6 representation of aggrieved individuals. Add to that, the
7 general knowledge in the legal community of the harassive and
8 threatening practices of the organization toward adverse
9 attorneys, and the fact that well respected attorneys such as Mr.
10 Flynn had agreed to an unethical or illegal settlement to escape
11 the litigation, and it is no surprise that this country's
12 attorneys avoid representing the organization's many victims.
13 The victims are effectively cut off from communication with
14 witnesses and access to evidence, and their ability to obtain any
15 legal representation denied.

16 I declare under the penalty of perjury under the laws of the
17 United States and the State of California that the foregoing is
18 true and correct and based on my personal knowledge, except those
19 matters stated on information and belief, and as to those
20 matters, I am informed and believe them to be true.

21 Executed this 16th day of July, 1991, at Los Angeles,
22 California.

23 
24 _____
25 GERALD ARMSTRONG
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1 I, GERALD ARMSTRONG, declare and state that:

2 1. I have made a previous declaration in this matter
3 and reiterate that I was a member of Scientology from 1969 to
4 1981 and involved in litigation with various Scientology entities
5 hereinafter referred to as "the Organization" since 1982 to the
6 present. I am familiar with many of the witnesses, attorneys and
7 victims who have been involved with various Scientology
8 litigations and I have previously met and recognize the voice of
9 Barry Van Sickle.

10 2. In the afternoon of July 16, 1991, I was present
11 at the Law Offices of Joseph A. Yanny when Mr. Yanny received a
12 telephone call from Mr. Barry Van Sickle which phone call was
13 placed upon the speaker phone. I heard the conversation between
14 Mr. Van Sickle and Mr. Yanny at that time and in its entirety.
15 During the course of the conversation, Mr. Van Sickle recounted a
16 conversation that he had had with Messrs. Quinn and Drescher
17 regarding settlement of litigation between Bent Corydon and the
18 Organization. Mr. Van Sickle stated that he had attended a
19 number of such meetings at which settlement was discussed and
20 that, at one particular meeting, a settlement document was
21 transferred by Mr. Drescher to Mr. Van Sickle with respect to the
22 Corydon litigation.

23 3. Mr. Van Sickle stated that, during the course of
24 the aforementioned meeting, Messrs. Quinn and Drescher had stated
25 that the objective of the settlement was to make peace. Mr. Van
26 Sickle stated that Mr. Drescher stated, while handing over the
27 settlement agreement, that he realized that the settlement
28 agreement, as proposed, was harsh in its terms. Mr. Van Sickle

1 stated further that Mr. Drescher indicated that while he realized
2 it was unethical to suggest such a thing, it was the desire of
3 his clients to have Mr. Van Sickle and Ms. Toby Plevin out of the
4 Scientology litigation business.

5 I declare under the penalty of perjury under the laws of the
6 United States and the State of California that the foregoing is
7 true and correct and based on my personal knowledge, except those
8 matters stated on information and belief, and as to those
9 matters, I am informed and believe them to be true.

10 Executed this 16th day of July, 1991, at Los Angeles,
11 California.

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14 _____
15 GERALD ARMSTRONG
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EXHIBIT B

Eric M. Lieberman, Esq.
Rabinowitz, Boudin, Standard,
Krinsky & Lieberman, P.C.
740 Broadway, Fifth Floor
New York, NY 10003-9518

August 21, 1991

Dear Mr. Lieberman:

Organization operatives filmed me yesterday at least in the following situations:

1. Talking to an employee of attorney Ford Greene, in the doorway to Mr. Greene's office, at 711 Sir Francis Drake in San Anselmo, California.

2. Walking outside Mr. Greene's office.

3. Pulling on a T-shirt outside Mr. Greene's office.

4. Running outside Mr. Green's office.

Whilst I was on foot I was also pursued by one of the operatives driving a white Cadillac.

The driver of the Cadillac was later confronted by Mr. Greene who also recorded the licence number of Cadillac and the other vehicle being used by the operatives.

I doubt that you find it hard to believe that I consider the organization's operation has as its major target in the eval known but to two or maybe three or even four the assassination of Gerry Armstrong.

I am not unmindful of your use of the earlier videotape event in your Petition For Rehearing filed in the Armstrong appeal (n. 1, p. 6, second edition; n. 2, p.5, first edition).

There was no reason to videotape me as proof that I was associating with Ford Greene. I had spoken the day before to two of your fellow org lawyers, Laurie Bartilson and Bill Drescher, and two men from SO legal liaison staff, Howard Gutfeld and August Murphy, and from none of whom had I withheld the fact that I was helping Mr. Greene. None of them were not aware that I was speaking to them from Mr. Greene's office because all of them except for Mr. Murphy called Mr. Greene's office and I had spoken to

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them when I answered Mr. Greene's telephone to take messages for him while he was out of his office. Mr. Murphy spent some time in Mr. Greene's office and we spoke for a few minutes. I am quite certain he left with the impression that I was helping Mr. Greene, and specifically in the Aznaran case since, in addition to my saying so, he did observe me carrying into Mr. Greene's office two boxes containing the mega-copies of the two Oppositions to Summary Judgment Motions (Statute of Limitations and First Amendment) and related documents, and did hear me lament that his organization had cost Mr. Greene that very day over seven hundred dollars in copying costs.

I did note the sophrosynial shift in the two writers of the second edition of the Petition For Rehearing. I imagine the organization's idea of having Marty talk to me is not in the works.

I'm sure you understand why I do help those who need it, and why people who litigate with the organization need it. And I'm sure you know how utterly unbiased I am in that all I oppose are antisocial policies and activities. In that Scientology denies that any of its policies or activities are antisocial I am not opposed in any way to what Scientology says it is and says it does. I am only opposed to antisocial policies and practices.

It is really a matter of logistics. Your organization scares people. It scares me. There are therefore few people willing to do what needs to be done regarding the organization. I am simply willing to do what I can no matter how scary it is. If there were not so many people afraid of your organization I wouldn't need to do what I can to help.

As you know, the organization has at times terrorized me, it has a policy of revenge, its present owners have a personal hatred for me, and it has acted with its fair game doctrine directing its attitude and acts toward me since and in violation of the settlement. Obviously, then, it is in every way reasonable for me to associate with and help those who have the courage to oppose the organizational beast.

Then there's the religious argument. And its legal corollary: if antisocial acts are religious, then so must be any opposition to antisocial acts.

Then there's the matter of theology.

All of which brings me to the matter at hand. You know about compartmentalization, PIs, cutouts, lies and paranoia. There probably are things which can be done to bring the organization's self-destructive

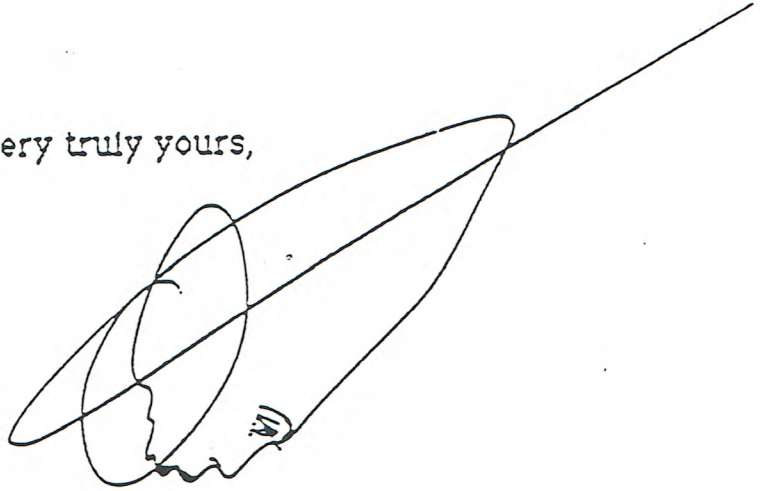
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insitutionalized hatred to a peaceful conclusion. Although you exhibit in your most recent descriptions of me and in your willingness to go beyond mere factual twists, a new and greater animus, I still have an idea that you can do something.

I trust you'll reply.

Very truly yours,

A handwritten signature, likely "Gerry Armstrong", is written in dark ink. The signature is stylized with a large, sweeping loop that extends upwards and to the right, crossing over itself. The name "Gerry" is partially visible within the loops of the signature.

Gerry Armstrong
(415)456-8450

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EXHIBIT L

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1 HUB LAW OFFICES
Ford Greene, Esquire
2 California Bar No. 107601
711 Sir Francis Drake Boulevard
3 San Anselmo, California 94960-1949
Telephone: (415) 258-0360

4 Attorney for Plaintiffs
5 VICKI J. AZNARAN and
6 RICHARD N. AZNARAN

7
8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10

11 VICKI J. AZNARAN and RICHARD N.
12 AZNARAN,

13 Plaintiffs,

14 vs.

15 CHURCH OF SCIENTOLOGY OF
16 CALIFORNIA, et al.,

17 Defendants.
18

19 AND RELATED COUNTER CLAIM
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No. CV-88-1786-JMI(Ex)

DECLARATION OF GERALD
ARMSTRONG REGARDING
ALLEGED "TAINT" OF
JOSEPH A. YANNY, ESQUIRE

Date: September 9, 1991
Time: Discretionary
Ct: Hon. James M. Ideman

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EXHIBIT L

EXHIBIT L

HUB LAW OFFICES
FORD GREENE, ESQUIRE
711 SIR FRANCIS DRAKE BOULEVARD
SAN ANSELMO, CALIFORNIA 94960-1949
(415) 258-0360

DECLARATION OF GERALD ARMSTRONG

I, Gerald Armstrong, declare and state that:

1. I was a Scientologist and held many positions in many sectors of Scientology, hereinafter referred to as "the organization," from 1969 to 1981. I have been involved in organization litigation as a witness, defendant, plaintiff and paralegal from 1982 until the present. I have testified in three trials and in depositions in ten organization cases approximately forty-seven days. I have authored over twenty-five declarations concerning L. Ron Hubbard, Scientology practices and the litigation. I am by trade a philosopher, writer and artist. In 1986 I founded a church which now has many members internationally.

2. I am the defendant and cross-complainant in the case of Church of Scientology of California v. Armstrong Los Angeles Superior Court No. C420153. A decision in that case was rendered after a lengthy bench trial by Judge Paul G. Breckenridge, Jr. on June 20, 1984. The California Court of Appeal opinion, No. B025920, issued July 29, 1991, affirming the Superior Court's decision, has recently been filed in this case as an exhibit to the Aznarans' oppositions.

3. In December 1986 I entered into a settlement agreement with the organization, a copy of which is filed herewith as Exhibit 1. The organization did not honor the agreement, however, but has continued a program of threats and attacks to this day. I have detailed what I knew of these threats and attacks up to March 15, 1990 in my declaration of that date. The circumstances at the time of the settlement and a rebuttal of various organization attacks are contained in a declaration I executed on December 25, 1990. I can supply these declarations to the Court if it so wishes.

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4. I make this declaration to respond to various allegations about me made by the organization in its papers recently filed in this case.

5. Organization attorney Laurie Bartilson states that my aid to attorney Ford Greene in preparing the Aznarans' recently filed oppositions to organization motions "violated this Court's orders and the Local Rules."

(Defendants' Opposition To Ex Parte Application To File Plaintiffs' Genuine Statement of Issues [sic] Re Defendants' Motions (1) To Exclude Expert Testimony; and (2) For Separate Trial On Issues of Releases and Waivers; Request that Oppositions Be Stricken; hereinafter "Opp To Ex P", p.2,3.) I aid Mr. Greene and the Aznarans out of my own free will and my sense of right and wrong. If I am ordered by any lawfully constituted court to cease rendering such aid I will.

6. Ms. Bartilson states that I "[am] employed by Joseph Tanny on this very case." (Opp To Ex P p.4) I am not.

7. Ms. Bartilson states that for me "to now have switched [my] aid to Greene's office further taints all (emphasis in original) of the papers filed by Greene..." (Opp To Ex P p.5) It doesn't, because there was not and is not any taint..

8. Ms. Bartilson states that my aiding Mr. Greene "is grounds for [his] disqualification." (Opp to Ex P p.5) It isn't; but if this Court were so to order me, I will comply.

9. Ms. Bartilson suggests that Mr. Greene should be disqualified because I am "a paralegal formerly employed by defendant's lawyers." (Opp To Ex P p.5) I have never been employed by any organization lawyer.

10. Ms. Bartilson declares that "[she has] been informed by private investigators hired by [her] law firm that [I] was present at Ford Greene's offices many times from August 3, 1991 through at least August 21, 1991,

often for hours and days at a time." (Opp To Ex P p.9,para 4) I was outside the United States from August 3 until August 10, and not in Marin County where Mr. Greene's office is located until August 13, 1991. Filed herewith as Exhibit 2 are copies of my boarding passes for my flights from San Francisco to Johannesburg, South Africa on July 19 and 20, returning August 9 and 10.

11. Organization attorney William Drescher states that "[a]s [I am] Yanny's paralegal on this case, [my] new affiliation as an assistant to Ford Greene is truly outrageous." (Supplemental Memorandum In Support of Defendants' Motion To Dismiss Complaint With Prejudice; hereinafter "Supp Memo," p.4) I am not Mr. Yanny's paralegal on this case, and my affiliation with Mr. Greene is wholly peaceful, lawful, decent, helpful, respectful, and humorous.

12. Mr. Drescher states that "Yanny's involvement in this case continues, this time through a different "extension"--the improper activities of Yanny's paralegal, Gerald Armstrong." (Supp Memo p.5) I am not Mr. Yanny's paralegal. I answered his call for help during the period he was attorney of record in this case. I spent parts of two days on July 15 and 16 in Mr. Yanny's office during which time the only "work" I did was to write two declarations, one of which was also used by Mr. Greene. Mr. Yanny gave me no instructions or suggestions at any time to pass on to Mr. Greene or to anyone else involved in the Aznaran litigation. I am not Mr. Yanny's "extension" into this case. This organization's actions in attempting to deny their victims, the Aznarans, not only legal representation but support to the Aznarans' legal representatives is what is improper.

13. Mr. Drescher states that in 1984 I was "plotting against the Scientology Churches and seeking out staff members who would be willing to assist [me] in overthrowing Church leadership." (Supp Memo p.5) The

organization is not a church. Organization operatives David Kluge and Michael Rinder sought me out and gained my trust through a close friend whom the organization coerced into participating in an operation to attempt to entrap me. The organization operatives stated that they wanted to reform the organization and rid it of its criminal activities and they asked me to help. They said they wanted to save Scientology from its criminal leadership. They stated they were operating secretly within the organization for fear of, inter alia, being killed. They used my willingness to communicate and to help to attempt to enveigle me into the commission of a crime. When that failed, the organization simply twisted my refusal to participate in the suggested criminal act into further accusations.

14. Mr. Drescher states that "[t]he Church obtained information about [my] plans and, through a police-sanctioned investigation, provided [me] with the 'defectors' [I] sought." (Supp Memo p.5) That the organization and its lawyers have told this lie so many times in so many jurisdictions over so many years has not made it any more true now than when they concocted the plot. I was videotaped. The videos are still embarrassing to me because I use foul language. What I say does not mean what the organization and its lawyers say it means. A private investigator (who, during this period threatened to put a bullet between my eyes) obtained a false authorization from an LAPD officer, who was himself suspended six months for his participation in the crime. The organization did not obtain information about my plans; it created the whole operation, including what my "plans" were to be.

15. Mr. Drescher states that "[o]n November 30, 1984 [I] met with one Michael Rinder, an individual whom [I] thought to be one of [my] 'agents' (but who in reality was loyal to the Church)" (parens in original). (Supp

Memo p.5) I never considered Rinder my agent, nor did I consider that I had any agents. Rinder was not loyal to the "church." He was being operated by what the operatives called the "criminal leadership."

16. Mr. Drescher states that "the conversation [was] recorded with written permission from law enforcement." (Supp Memo p.5) It wasn't. The Chief of the LAPD denied authorizing the illegal operation, and the officer was suspended for his "permission."

17. Mr. Drescher quotes some out-of-context statements from my November 1984 meeting with Michael Rinder and avers that they meant that I was recommending that the group of "reformers" did not need "actual evidence of wrongdoing to make allegations in Court against the Church leadership." (Supp Memo p.5) My answer to Rinder is out of frustration because he appeared to be unable to understand that a complaint contains allegations, and the proof of the allegations is achieved through documentation and testimony, including even the well-known fact of the organization's long history of destruction of evidence, obtained through the litigation up to the end of trial. Elsewhere and in other conversations I discussed with the "reformers" what was actually known and documented, and which could be alleged in the complaint they insisted they wanted to file. I discussed with the "reformers" an inventory of criminal acts for which we knew the organization was responsible. They included burglary of state and federal offices, theft, obstruction of justice, blackmail, assault, civil rights violations, immigration fraud, tax fraud, attempted entrapment of Federal judges, framing of my own attorney Michael Flynn, the use of preclear folder information against all Scientologists, all the acts which flowed from "'fair game," and the use of their charitable corporation funds to carry out these criminal acts.

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18. Organization attorney Eric Lieberman states that "the utter disregard of the truth that the Aznarans have made the trademark of their litigation effort, bears the unmistakable signature of Gerald Armstrong, whose theory of litigating against Churches of Scientology, as captured on videotape in 1984, is not to worry about what the facts really are, but instead to choose a state of "facts" that should survive a challenge by the Church and "just allege it." (Reply In Support of Defendants' Motion For Summary Judgment Based On the Statute of Limitations; hereinafter "Reply Stat Lim," p.2,3) This is not true. It is simply further exploitation of the fruits of the organization's covert actions against me: the illegal 1984 videotape regarding what the organization calls the "Armstrong Operation," Until I started to help Mr. Greene, I had nothing to do with the Aznaran case, which was filed in April 1988, except for my help to Mr. Tanny described in paragraph 12 above. I have given no facts to the Aznarans, nor any legal strategy. Besides the declarations I have written, all of which are now before this Court, I have written not one word in any of the filed papers. My help to Ford Greene in all of the papers recently filed has been in proofreading, copying, collating, hole-punching, stapling, stamping, packaging, labeling, air freighting and mailing. Mr. Greene and I have had several conversations during this period, some of which certainly concerned the litigation.

19. Mr. Lieberman states that "[i]t is clear that [my] influence and philosophy permeates the Aznaran's oppositions." (Reply Stat Lim p.3) I pray that that is true, because my philosophy in litigating against the organization is to tell the truth, have the faith that, no matter what lies the organization tells or operations it runs or how threatening the organization appears to be, truth will prevail; that, no matter how the organization

perverts the law, manipulates courts, testifies falsely, fights unfairly, wields religion as a sword and then a shield and abuses the legal process, justice will, if fought for honorably, triumph.

20. Mr. Lieberman states that "[o]n August 19, 1991 [I] admitted to one of defendants' counsel that [I] was at Greene's office "helping out."" (Reply Stat Lim p.3) I admitted no such thing. I was doing nothing even faintly improper which would require admission. I have been completely up front about my being in Mr. Greene's office and helping him. It is the organization which has skulked around and engaged in improprieties which it should admit to. I was so shocked when I discovered the organization operatives videotaping me on August 20 that I wrote Mr. Lieberman to protest the harassment. When I found the operation continuing on August 21 I again wrote Mr. Lieberman, and called his office, advised one of his associates of the operation and pleaded that it be called off. Copies of my letters are filed herewith as Exhibits 3 and 4. Mr. Lieberman has not answered my letters, has not mentioned them in his papers, which he signed on August 26, but has escalated the attack on my character and intentions. The operation has continued at least until August 30. Because of its form and nature, and because of my knowledge of organization operations and its philosophy of opportunistic hatred, I believe that this operation does not have as its major goal the proof that I am helping Mr. Greene. I believe its goal is intimidation and the assembly of intelligence information for future acts.

21. Mr. Lieberman states that "the real thrust of the Aznarans' Opposition is....the "just allege it" philosophy of Yanny's paralegal, Gerald Armstrong." (Reply Stat Lim p.33) I am not Mr. Yanny's paralegal, and "just allege it" is really the organization's litigation theory. L. Ron Hubbard

established the Guardian's Office and then the Office of Special Affairs to carry out his way of litigating.

"In the face of danger from Governments or courts.....

If attacked on some vulnerable point by anyone or anything or any organization, always find or manufacture (emphasis added) enough threat against them to cause them to sue for peace." L.

Ron Hubbard, Policy Letter of 15 August, 1960 "Dept of Govt Affairs." (Exhibit 5)

22. Mr. Lieberman states that "[my] "helping out" while the Opposition was concocted not only reveals the continuing taint of Yanny's involvement with this case, it establishes the guiding principle that resulted in [the] Opposition..." (Reply Stat Lim p.34) Not one thing, not the ability to proofread, photocopy, collate, hole-punch, staple, package, label, air freight or mail that I did in connection with the preparation of the Aznarans' oppositions, did I learn from Mr. Yanny. Not the ability to spot and confront organization operatives did I learn from Mr. Yanny. Not the ability to write, nor any fact or idea or word in any declaration did I learn from Mr. Yanny. I have been the target of "fair" game since I left the organization in 1981, and understand its philosophy. I know the organization's litigation theories and practices and I understand the psychopathology of L. Ron Hubbard and why he and his organization came to be viewed by Courts as paranoid and schizophrenic. There is nothing Mr. Yanny could possibly tell me which would surprise me or be additional to what I know about this organization. Mr. Yanny has provided no "guiding principle" whatsoever. The organization, by making and maintaining fair game as its guiding principle, established the guiding principle in this litigation. The fair game doctrine will dog the organization as long as there are honest and free men or until the

organization, not denies its existence, but completely and sincerely repudiates it.

23. Mr. Lieberman states that "[my] philosophy of litigation is that facts and the truth are irrelevant and that all that is required to prevail is to allege whatever needs to be alleged." (Reply Stat Lim p.34) I have survived all the cross-examination and depositions by the organization, the documentation attacks by the organization, the character assassination by the organization, the use of my preclear folder information, the operations, the threats, the assaults, because truth is relevant. Although there undoubtedly is some memory loss over the past twenty-two years, and although there may even be some discrepancies in forty-seven days of sworn testimony, I have survived examination and cross-examination because I have, as much as is humanly possible, told the truth. I have said what I have known, known when I didn't know something, and stated my opinions as opinions. It is my opinion that one honest man can confront and vanquish a dishonest organization, no matter how big or how organized. Gratefully there are a few honest men to make the work lighter.

24. Mr. Lieberman states that "[t]he Aznarans' desperation to defeat this motion is so profound that they resort not only to the "just allege it" litigation philosophy of Joseph A Yanny's paralegal assigned to this case, Gerald Armstrong, but also to enlisting Armstrong's help in this cynical, say-anything-you-have-to approach to the truth." (Reply In Support of Defendants' Motion For Summary Judgment Pursuant To the First Amendment; hereinafter Reply First Am, p. 2) I am not Mr. Yanny's paralegal, and I am not assigned to this case. The desperation which resulted in the enlisting of my help had a purely logistical basis. Mr. Greene faced a mountain of organizational motions which required oppositions, and

no time to do them. He has no employees but a secretary who comes in a couple of evenings a week sometimes and sometimes on Saturdays. He needed simple office backup in the form of proofreading, photocopying, collating, hole-punching, etc. I am blessed with those simple office skills, and I have a knowledge of the subject matter and the cause in which Mr. Greene labors. I am aware of the awesome disparity of resources between Mr. Greene and the army of law firms, lawyers, paralegals, secretaries, and organizational legal machinery of his opposition. I am aware of the organization's policies and practices of neutralizing or eliminating the legal support of its enemies. How could anyone resist a call to help in this situation? It was not a conspiratorial thought that plunked me down over a year ago within running distance of the Hub Law Offices and sporting the same zip code. What it was was merely making the inevitable not only funny but easier.

25. Organization attorneys have made much of the fact that Joseph Yanny has been enjoined from representing me in litigation adverse to the organization. (Op To Ex P p.10; Supp Memo p.4) He is, of course, its former attorney. I have been working with Mr. Greene since August 17. I have not seen nor heard one word of Mr. Yanny's influence in this case, beyond the fact that the organization just alleged it.

I declare under penalty of perjury under the laws of the State of California and the United States that the foregoing is true and correct.

Executed on September 3, 1991 at Sleepy Hollow, California.

A handwritten signature, likely of Joseph Yanny, is written over a horizontal line. The signature is stylized and cursive, with a large loop at the end.

HUB LAW OFFICES
Ford Greene, Esquire
California Bar No. 107601
711 Sir Francis Drake Boulevard
San Anselmo, California 94960-1949
Telephone: (415) 258-0360

Attorney for Plaintiffs
VICKI J. AZNARAN and
RICHARD N. AZNARAN

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

VICKI J. AZNARAN and RICHARD N.
AZNARAN,

Plaintiffs,

vs.

CHURCH OF SCIENTOLOGY OF
CALIFORNIA, et al.,

Defendants.

No. CV-88-1786-JMI(Ex)

DECLARATION OF FORD GREENE
REGARDING ALLEGED "TAINT"
OF JOSEPH A. YANNY, ESQUIRE

Date: September 9, 1991
Time: Discretionary
Ct: Hon. James M. Ideman

AND RELATED COUNTER CLAIM

FORD GREENE declares:

1. I am an attorney licensed to practice law in the Courts
of the State of California, am admitted to the Bar of this Court,
and am the attorney of record for Vicki J. Aznaran and Richard N.
Aznaran, plaintiffs herein.

2. Defendants, and their counsel, have recently submitted an
increasingly shrill litany of degrading aspersions regarding the
nature of my alleged affiliation with defendants' former lawyer,
Joseph A. Yanny. The purpose of this declaration is respond

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EXHIBIT M

thereto in a general manner because a point by point refutation is not worth the time, effort and trouble required to articulate.

3. The suggestion, much less the claim, that I am somehow the puppet of Yanny is ludicrous. In short, my response to the allegations of defendants regarding the Yanny taint and the extent to which it has been alleged to be spread on me is as follows: My writing in this case has thus far been stylistically and substantially consistent. As the court will note from my opposition to Scientology's initial summary judgment motion (with the exception of the injudicious use of the term "Cult") in this case to my most recent oppositions, I have a particular style of legal expression that is my own. The content and approach thereof is relatively consistent. The hand that so writes is mine, not Mr. Yanny's.

4. I was responsible for articulating the theory which the California Supreme Court in Molko v. Holy Spirit Association (1988) 46 Cal.3d 1096 found persuasive. That theory primarily deals with the interrelationship between deceit and coercion as those ingredients impact upon an individual's ability to reason and capacity to exercise an informed consent to organizational affiliation. I am convinced that "brainwashing" is the intentional and deliberate application of specific and identifiable techniques designed to undermine an individual's ability to reason and severely impair his capacity to exercise an informed consent so as to replace those volitional ingredients with an indiscriminate and unconditional obedience to the commands of the leadership. I understand the manner in which brainwashing attacks an individual's sense of identity and achieves dominance of such individual. I am

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1 convinced that a coercive, closed group or "cult" is a group of
2 people, often masquerading in the guise of a religion, the members
3 of which are unconditionally and indiscriminately obedient to the
4 commands of a single leader who claims to have a direct
5 relationship with God, or some greater-than-human source of
6 authority.

7 5. In varying ways, and from different points of reference,
8 my participation in the case at bar has involved the application,
9 within the confines of the law, of the specialized knowledge I
10 possess having to do the deceit and undue influence practiced by
11 the Scientology organization. I believe my analysis in this
12 regard, as it has been expressed in writing in this case, is
13 ascertainable and has been consistent during the pendency of the
14 case at bar. Joseph Yanny never has had anything to do with the
15 way I think and the manner in which I apply and/or express the
16 knowledge I possess.

17 6. I have met with John Koresko on a Saturday and Sunday in
18 early August. In assisting Mr. Yanny accomplish the transition of
19 the case back to my office, he delivered to me papers that had been
20 filed in this matter during the period that Yanny was attorney of
21 record (including papers, filed by defendants, which falsely stated
22 that I had been in a rehabilitation facility for substance abuse).
23 Mr. Koresko offered his assistance in helping me get up to speed.
24 I provided Mr. Koresko with copies of Scientology's table of
25 authorities extracted from each of its six pending motions and sent
26 him to the Marin County Law Library with instructions to make
27 photocopies of each of the cases that was not a California case (I
28 have a full-service California law library). I received no

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litigation instructions of any sort from Koresko, Yanny originated or otherwise.

7. I am grateful for the on-going assistance that I have received from Gerry Armstrong. While I have worked - at times around the clock - he has assembled the products of my labors and ensured that they were prepared for filing and service. I have received no Yanny originated suggestions regarding how to litigate against Scientology from Armstrong and the suggestion that he is Yanny's shill and that I am the dupe of both is laughable.

8. I am informed and believe and allege thereon that defendants have in the past, and will continue in the future, to exploit their fallen relationship with their former attorney as a manner of attempting to obfuscate the real issues in the case at bar. It is more expedient for Scientology to cry wolf and attempt to engender sympathy than to meet the issues head on and fight clean.

9. During my participation in the instant litigation, my office, my home, the home of girlfriend and her person have been the subjects of repeated and on-going surveillance. In spring 1989, Scientology operatives rented an apartment unit across the street from my office in order to maintain around-the-clock surveillance of me, my clients and friends. During the last month the street in front of my office and the parking lots across the street have been crawling with Scientology investigators with their cameras, video-cameras, binoculars, cellular telephones and yellow legal pads. My neighbors have expressed fear to me regarding the meaning of such activities. Scientology, through its chief "investigator" Eugene Ingram, has managed to generate

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1 investigations of me by the F.B.I., Los Angeles County District
2 Attorney's Office and State Bar for allegedly committing perjury in
3 what I am informed and believe has been an effort to obtain my
4 "disqualification" from representing the Aznarans, or subject me to
5 retribution for being so bold as to stand in opposition to the
6 Scientology organization. I am informed and believe that the
7 reason that Eric Lieberman telephoned me in February or March 1991
8 in order to seek a stipulated continuance of the April 9 trial date
9 in the case at bar was so that Ingram would have enough time to
10 generate a criminal prosecution against me. I am informed and
11 believe that no such prosecutions will be forthcoming. I am
12 informed and believe that in the spring of 1989 Scientology
13 operatives searched through my office garbage, in order to find the
14 names of cases, clients, and opposing counsel whom then were
15 contacted in an attempt to stir up trouble for me; I have been
16 contacted by such people who have reported such activities to me.

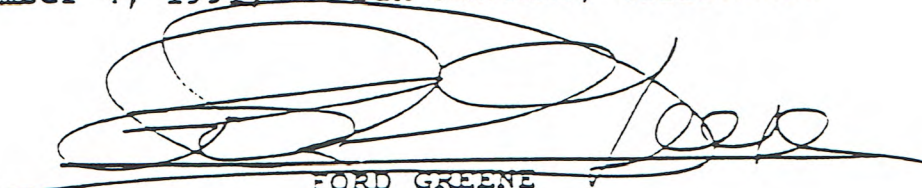
17 10. I am losing patience with the tactics of my adversaries.
18 I assure the court that the moral conviction required to endure
19 such extra-judicial harassment, and work around the clock
20 responding to the pounds of motions filed by Scientology, would
21 never exist were I another man's puppet.

22 11. I am my own man and do not consult with Joseph Yanny
23 concerning litigation strategies in this case.

24 Under penalty of perjury pursuant to the laws of the United
25 States I hereby declare that the foregoing is true and correct
26 according to my first-hand knowledge, except those matters stated
27 to be on information and belief, and as to those matters, I believe
28 them to be true.

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Executed on September 4, 1991, at San Anselmo, California



FORD GREENE

FORD GREENE, ESQUIRE
711 8th FRANCIS DIANE BOULEVARD
SAN ANSELMO, CALIFORNIA 94060-1040
(415) 288-0360

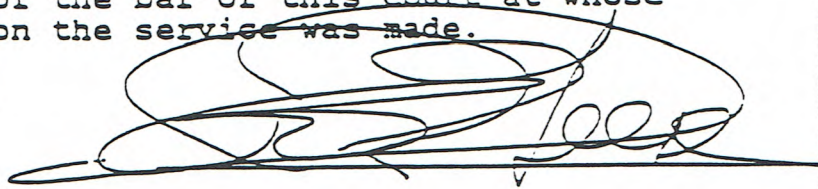
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PROOF OF SERVICE

I am employed in the County of Marin, State of California. I am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake Boulevard, San Anselmo, California. I served the following documents: DECLARATION OF FORD GREENE REGARDING ALLEGED "TAINT" OF JOSEPH A. YANNY, ESQUIRE on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California: SEE ATTACHED SERVICE LIST

<input checked="" type="checkbox"/>	(By Mail)	I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.
<input type="checkbox"/>	(Personal Service)	I caused such envelope to be delivered by hand to the offices of the addressee.
<input type="checkbox"/>	(State)	I declare under penalty of perjury under the laws of the State of California that the above is true and correct.
<input checked="" type="checkbox"/>	(Federal)	I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

DATED: September 4, 1991



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AZNARAN vs. SCIENTOLOGY

Service List

JOHN C. ELSTEAD
Clifton, Polson & Elstead
6140 Stoneridge Road
Suite 500
Pleasanton, California 94588

EARLE C. COOLEY
Cooley, Manion, Moore & Jones, P.C.
21 Custom House Street
Boston, Massachusetts 02110

ERIC LIEBERMAN
Rabinowitz, Boudin, Standard,
Krinsky & Lieberman, P.C.
740 Broadway at Astor Place
New York, New York 10003-9518

WILLIAM T. DRESCHER
23679 Calabasas Road, Suite 338
Calabasas, California 91302

MICHAEL L. HERTZBERG
740 Broadway at Astor Place
New York, New York 10003-9518

LAURIE J. BARTILSON
Bowles & Moxon
6255 Sunset Boulevard, Suite 2000
Hollywood, California 90028

JAMES H. BERRY, JR.
2049 Century Park East
Suite 2750
Los Angeles, California 90067

JOHN J. QUINN
Quinn, Kully & Morrow
520 South Grand Avenue
8th Floor
Los Angeles, California 90071

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1 Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
2 235 Montgomery Street
Suite 450
3 San Francisco, California 94104
(415) 391-3900

4 Laurie J. Bartilson
5 BOWLES & MOXON
6255 Sunset Boulevard
6 Suite 2000
Hollywood, California 90028
7 (213) 661-4030

8 Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL
9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 FOR THE COUNTY OF MARIN

12 CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
13 not-for-profit religious)
corporation;)

14 Plaintiff,)
15)

16 vs.)
17)

18 GERALD ARMSTRONG; DOES 1)
through 25, inclusive,)
19)

20 Defendants.)
21)
22)
23)
24)
25)
26)
27)
28)

Case No.

DECLARATION OF
LAURIE BARTILSON
IN SUPPORT OF MOTION
FOR PRELIMINARY
INJUNCTION

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1 DECLARATION OF LAURIE J. BARTILSON

2 I, LAURIE J. BARTILSON, hereby declare:

3 1. I am an attorney licensed to practice in the State of
4 California and am a partner in the law firm of Bowles & Moxon.
5 I make this declaration based upon my own personal knowledge and
6 if called as a witness to testify to the matters herein, could
7 and would do so competently.

8 2. I am counsel of record in the cases of Religious
9 Technology Center et al. v. Joseph A. Yanny, et al. IASC No.
10 BC 033035 ("RTC v. Yanny") and Vicki Aznaran, et al. v.
11 Church of Scientology of California, et al., United States
12 District Court for the Central District of California, No. CV
13 88-1786 JMI (Ex) ("Aznaran").

14 3. In August of 1991 there were a series of opposition
15 papers due to be filed against the Church out of the law office
16 of Ford Greene in San Anselmo, California. In order to expedite
17 obtaining a copy of the papers, I arranged for a courier to go
18 to Mr. Greene's office to pick up the documents. When I
19 called Greene's office, I spoke with an individual who identi-
20 fied himself as Gerry Armstrong. Armstrong told me that he
21 was helping Greene prepare the Aznaran papers.

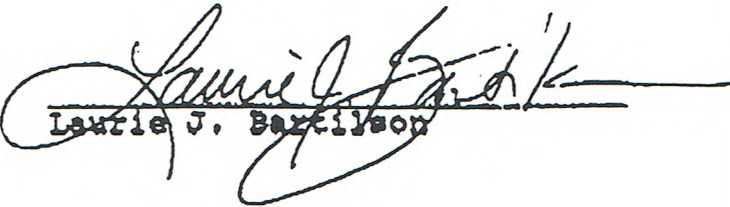
22 4. Since that time I have been repeatedly in telephonic
23 communication with Mr. Greene's office on various matters in
24 the Aznaran and RTC v. Yanny cases. I have frequently
25 spoken with Armstrong at that office. For example, in December
26 1991 I spoke with Armstrong who sought to arrange deposition
27 dates for himself, Ford Greene and another deponent. Armstrong
28 told me at the time that he was calling from Greene's office.

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1 Armstrong has also sent faxes to my office on behalf of Ford
2 Greene in the RTC v. Yanny case and has relayed messages to
3 and from me and Mr. Greene. In these regards he has appeared
4 as a direct assistant or para-legal for Greene.

5 I declare under penalty of perjury under the laws of the
6 State of California that the foregoing is true and correct.

7 Executed this 27th day of January, 1992 at Apple Valley,
8 Minnesota.

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11 Laurie J. Bartilson
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1 Andrew H. Wilson
2 WILSON, RYAN & CAMPILONGO
3 235 Montgomery Street
4 Suite 450
5 San Francisco, California 94104
6 (415) 391-3900

7 Laurie J. Bartilson
8 Debra S. Tobias
9 BOWLES & MOXON
10 6255 Sunset Boulevard
11 Suite 2000
12 Hollywood, California 90028
13 (213) 661-4030

14 Attorneys for Plaintiff
15 CHURCH OF SCIENTOLOGY INTERNATIONAL

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

CHURCH OF SCIENTOLOGY OF
INTERNATIONAL, a California
not-for-profit religious
corporation;

Plaintiff,

vs.

GERALD ARMSTRONG and DOES 1
through 25, inclusive,

Defendants.

) Case No. BC 052395
) EXHIBITS IN SUPPORT OF PLAINTIFF'S
) REPLY TO DEFENDANT'S OPPOSITION
) TO MOTION FOR PRELIMINARY
) INJUNCTION AND REPLY TO AMICUS
) BRIEF OF JOSEPH A. YANNY
) (VOL. I)
)
)
)
) DATE: May 21, 1992
) TIME: 8:30 a.m.
) DEPT: 88
)
) TRIAL DATE: None
) MOTION CUT-OFF: None
) DISCOVERY CUT-OFF: None

FILED

MAY 20 1992

JAMES H. DEMPSEY, CLERK

ORIGINAL FILED
BY M. CERVANTES, DEPUTY

MAY 20 1992

LOS ANGELES
SUPERIOR COURT

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1 Yanny I, Judge Cardenas stated that Yanny "showed a ready
2 willingness to disregard legal and ethical responsibilities owed
3 to his former clients."

4 6. After Joseph Yanny entered an appearance in federal
5 court in the Aznaran case on behalf of the Aznarans, the
6 defendants in that case moved immediately to disqualify him.
7 Thereafter, Yanny's appearance was ordered vacated by the Court,
8 because of prejudice to defendants, his former clients.

9 7. On July 19, 1991, RTC and CSI also filed the Yanny II
10 case, and sought a temporary restraining order and preliminary
11 injunction.

12 8. Shortly after the Yanny II complaint and application
13 for temporary restraining order were filed, I sought initially to
14 have the case reassigned ex parte to Judge Cardenas, because of
15 his familiarity with Yanny I. I was told by Department 1A of the
16 superior court that I could not proceed with such a request
17 except by regularly noticed motion. I then made a similar
18 request to the judge assigned to the case, who agreed that the
19 matter could and should be referred to Judge Cardenas if he was
20 willing to take it. Yanny joined in my efforts to move the case
21 to Judge Cardenas' courtroom. Judge Cardenas accepted the case.

22 9. Attached hereto as Exhibit D is a true and correct copy
23 of the Declaration of Kendrick L. Moxon, filed in Yanny II.

24 10. Attached hereto as Exhibit E is a true and correct copy
25 of excerpts from the deposition of Gerald Armstrong of March 17,
26 1992, in the Yanny II case.

27 11. Attached hereto as Exhibit F is a true and correct copy
28 of excerpts from the deposition of Gerald Armstrong of March 12,

1 1992, in the case of Hunziker v. Applied Materials, SFSC Case No.
2 692629.

3 12. Attached hereto as Exhibit G is a true and correct copy
4 of plaintiffs' Motion for Terminating and Monetary Sanctions.

5 13. I attended a hearing before Judge Cardenas on January
6 30, 1992, in the Yanny II case. At that hearing, the Court
7 appointed a discovery referee for the case, stated that the trial
8 date of April 27, 1992 would not be disturbed, and ordered Yanny
9 and each of his witnesses to appear and testify at deposition on
10 dates requested by plaintiffs. Yanny's concurrent motion for
11 protective order was denied in all respects.

12 14. Attached hereto as Exhibit H is a true and correct
13 copy of the decision of E.J. Gallo Corp. v. Gallo Cattle Co.,
14 Ninth Circuit, February 1992.

15 15. Attached hereto as Exhibit I is a true and correct
16 copy of the transcript of proceedings before Judge Geernaert in
17 Armstrong I of December 23, 1991.

18 16. Attached hereto as Exhibit J is a true and correct copy
19 of the excerpts from the transcript of proceedings of the trial
20 of Yanny I, February 5, 1990.

21 17. As RTC's and Church of Scientology International's
22 counsel, I was involved in protracted settlement negotiations in
23 the Corydon case which began in the summer of 1991.

24 18. Judge Savitch of the Los Angeles Superior Court was
25 assigned to the Corydon case as a settlement judge. In that
26 capacity, he oversaw the negotiations every step of the way, and
27 reviewed in detail the draft settlement agreements which were
28 prepared, ultimately upholding the agreement of the parties and

1 ordering it to be enforced pursuant to C.C.P. §664.6.

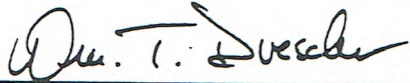
2 19. Corydon appealed the entry of judgment under C.C.P. §
3 664.6. On May 5, 1992, the Court of Appeal dismissed this appeal
4 as being without merit. See Exhibit K, Order Dismissing Appeal.

5 20. I am familiar with the settlement agreement between
6 Armstrong and the Church of Scientology International which is at
7 issue in this case. The Corydon settlement agreement is in many
8 essential respects similar, and in some respects identical, to
9 the Armstrong settlement agreement, including provisions which
10 ensure the confidentiality of the agreement, which provide for
11 the non-disclosure of private facts, and which require the return
12 of documents.

13 21. On March 16 and March 17, 1992, Armstrong appeared for
14 his deposition in the Yanny II case. On March 17, Yanny examined
15 Armstrong. Armstrong's deposition was then continued to April 7,
16 1992, when Yanny's attorney, Graham Berry, took over the
17 questioning. After several hours of additional questions, Mr.
18 Berry stated that he had completed his questioning of Mr.
19 Armstrong, and had "no further questions." A true and correct
20 copy of excerpts of the April 7, 1992 deposition is attached
21 hereto as Exhibit L.

22 I declare under penalty of perjury of the laws of the State
23 of California that the foregoing is true and correct.

24 Executed at Los Angeles, California, this 19th day of May,
25 1992.

26 
27 WILLIAM T. DRESCHER

28 H:\ARMSTRON\WTD.NEW

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EXHIBIT E

1 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
2 IN AND FOR THE COUNTY OF LOS ANGELES
3
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- - -

5 RELIGIOUS TECHNOLOGY CENTER, A)
6 California Non-Profit Religious)
7 Corporation; CHURCH OF)
8 SCIENTOLOGY INTERNATIONAL, A)
9 Non-Profit Religious Corporation;)
and CHURCH OF SCIENTOLOGY OF)
CALIFORNIA, A Non-Profit)
Religious corporation,)

Plaintiffs,)

vs.)

10 JOSEPH A. YANNY, an individual;)
11 JOSEPH A. YANNY, a professional)
12 law corporation, and DOES 1-25,)
13 inclusive,)

Defendants.)

No: BC 033035

DEPOSITION EXCERPT

14
15
16 DEPOSITION EXCERPT OF

17 GERALD ARMSTRONG

18 SANTA MONICA, CALIFORNIA

19 MARCH 17, 1992
20

21 ATKINSON-BAKER AND ASSOCIATES, INC.
22 CERTIFIED SHORTHAND REPORTERS
23 1612 West Olive Avenue, Suite 203
Burbank, California 91506
(818) 566-8840

24 REPORTED BY: JAN SERRA, CSR NO. 8207

25 FILE NO.: 9202565

000177

1 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

2 IN AND FOR THE COUNTY OF LOS ANGELES

3 RELIGIOUS TECHNOLOGY CENTER, A)
4 California Non-Profit Religious)
5 Corporation; CHURCH OF)
6 SCIENTOLOGY INTERNATIONAL, A)
7 Non-Profit Religious Corporation;)
8 and CHURCH OF SCIENTOLOGY OF)
9 CALIFORNIA, A Non-Profit)
10 Religious corporation,)
11)

12 Plaintiffs,)

13 vs.)

14 No: BC 033035

15 GERALD ARMSTRONG, an individual;)
16 GERALD ARMSTRONG, a professional)
17 law corporation, and DOES 1-25,)
18 inclusive,)
19)

20 Defendants.)
21)
22)
23)
24)
25)

26 Deposition excerpt of GERALD ARMSTRONG, taken on
27 behalf of the Plaintiff, at 3340 Ocean Park Boulevard,
28 Suite 1050, Santa Monica, California 90405, commencing
29 at 9:00 a.m., Tuesday, March 17, 1992, before Jan
30 Serra, CSR 8207.

A P P E A R A N C E S

FOR THE PLAINTIFF CHURCH OF SCIENTOLOGY:

BOWLES & MOXON

BY: KENDRICK L. MOXON, ESQ.

6255 Sunset Boulevard

Suite 2000

Los Angeles, California 90028

(213) 661-4030

FOR THE DEFENDANT:

LEWIS, D'AMATO, BRISBOIS & BISGAARD

BY: GRAHAM E. BERRY, ESQ.

221 North Figueroa Street

Suite 1200

Los Angeles, California 90012

(213) 250-1800

FOR THE WITNESS:

HUB LAW OFFICES

BY: FORD GREENE, ESQ.

711 Sir Francis Drake Boulevard

San Anselmo, California 94960

(415) 258-0360

FOR HIMSELF:

LAW OFFICES OF JOSEPH A. YANNY

BY: JOSEPH A. YANNY, ESQ.

1925 Century Park East

Suite 1260

Los Angeles, California 90067

(213) 551-2966

THE REFEREE: THE HONORABLE THOMAS T. JOHNSON

ALSO PRESENT:

MATT WARD

///

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I N D E X

WITNESS: GERALD ARMSTRONG

EXAMINATION	PAGE
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BY MR. MOXON	5
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BY MR. YANNY	44
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EXHIBITS:

NUMBER	DEFENDANT'S DESCRIPTION	PAGE
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(None)

NUMBER	PLAINTIFF'S DESCRIPTION	PAGE
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(None)

QUESTIONS WITNESS INSTRUCTED NOT TO ANSWER:

	PAGE	LINE
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INFORMATION TO BE SUPPLIED:

	PAGE	LINE
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	107	20
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1 (At the hour of 11:55 a.m. the,
2 luncheon recess was taken, the
3 proceedings to be resumed at 1:25 p.m.)
4

5 (At the hour of 1:25 p.m.
6 the following proceedings were had
7 at the same place with the
8 same persons present:)
9

10 THE REFEREE: Are we ready to resume?
11

12 EXAMINATION
13

14 BY MR. MOXON:

15 Q Do you know John Elstead?

16 A Yes.

17 Q Tell me how you met him please?

18 A I met him at -- I'm not quite sure where
19 I met him, but it may have been in the federal
20 courthouse or around the federal courthouse in Los
21 Angeles.

22 And then he and Joe Yanny and I walked to
23 a Mexican restaurant in downtown L.A. This was for
24 lunch.

25 MR. YANNY: Late breakfast actually.

1 Q Can you tell me how long the meeting was
2 with Mr. Yanny and Mr. Elstead at lunch?

3 A Approximately an hour.

4 Q Did Mr. Yanny give Mr. Elstead any
5 documents?

6 A I don't believe so.

7 Q Did you?

8 A No.

9 Q Did you provide Mr. Elstead any
10 information with respect to the Aznaran case?

11 A No.

12 Q Did you encourage Mr. Elstead to act as
13 counsel for the Aznarans?

14 A No.

15 Q Did you engage in the conversation at
16 all?

17 A Very little.

18 Q Did you have any later conversations with
19 Mr. Elstead with respect to the Aznaran case?

20 A Yes.

21 Q In what context?

22 A Because Mr. Elstead became involved as an
23 attorney on the case and I thereafter assisted on the
24 case in Mr. Greene's office. As a result I had a
25 number of contacts with Mr. Elstead.

1 Q Were you hired by Mr. Elstead?
2 A Yes.
3 Q Did he pay you?
4 A Yes.
5 Q As a paralegal?
6 A Yes.
7 Q From when to when?
8 A Beginning in, my recollection is sometime
9 in August.
10 Q August of '91?
11 A Right.
12 Q Until when?
13 A Uhm, although my day-to-day involvement
14 in the case has shifted, I still am involved in the
15 case.
16 Q Are you still on Mr. Elstead's payroll?
17 MR. GREENE: Objection, mischaracterizes
18 his prior testimony.
19 He's not on any payroll. He says he has
20 been paid. There is no foundation.
21 And also -- that's it for now.
22 THE REFEREE: Re-state the question.
23 A (No response)
24 Q BY MR. MOXON: You testified that you
25 have been paid by Mr. Elstead.